

# *The* NATIONAL UNDERWRITER

*Life Insurance Edition*

A tested plan that has produced  
**2 SALES OUT OF EVERY 3 PROPOSALS!**



New England Mutual's Coordinated Estate plan is time-tested as well as field-tested. It has long demonstrated that it merits the enthusiasm with which our men use it. For example:

One New England Mutual agency worked out 39 Coordinated Estate programs. These cases required an average of 4 hours, 45 minutes each.

Result: **2 SALES OUT OF EVERY 3 PROPOSALS**

AVERAGE SALE: \$18,710

This company's sales tools are kept up-to-date so they always have the finest possible "cutting edge." Pictured above is the newest version of our Coordinated Estate kit, which was presented to our field force this fall at seven regional meetings from coast to coast.

New England Mutual produces sales material the year 'round . . . to help our men turn a higher percentage of their calls into more profitable sales.

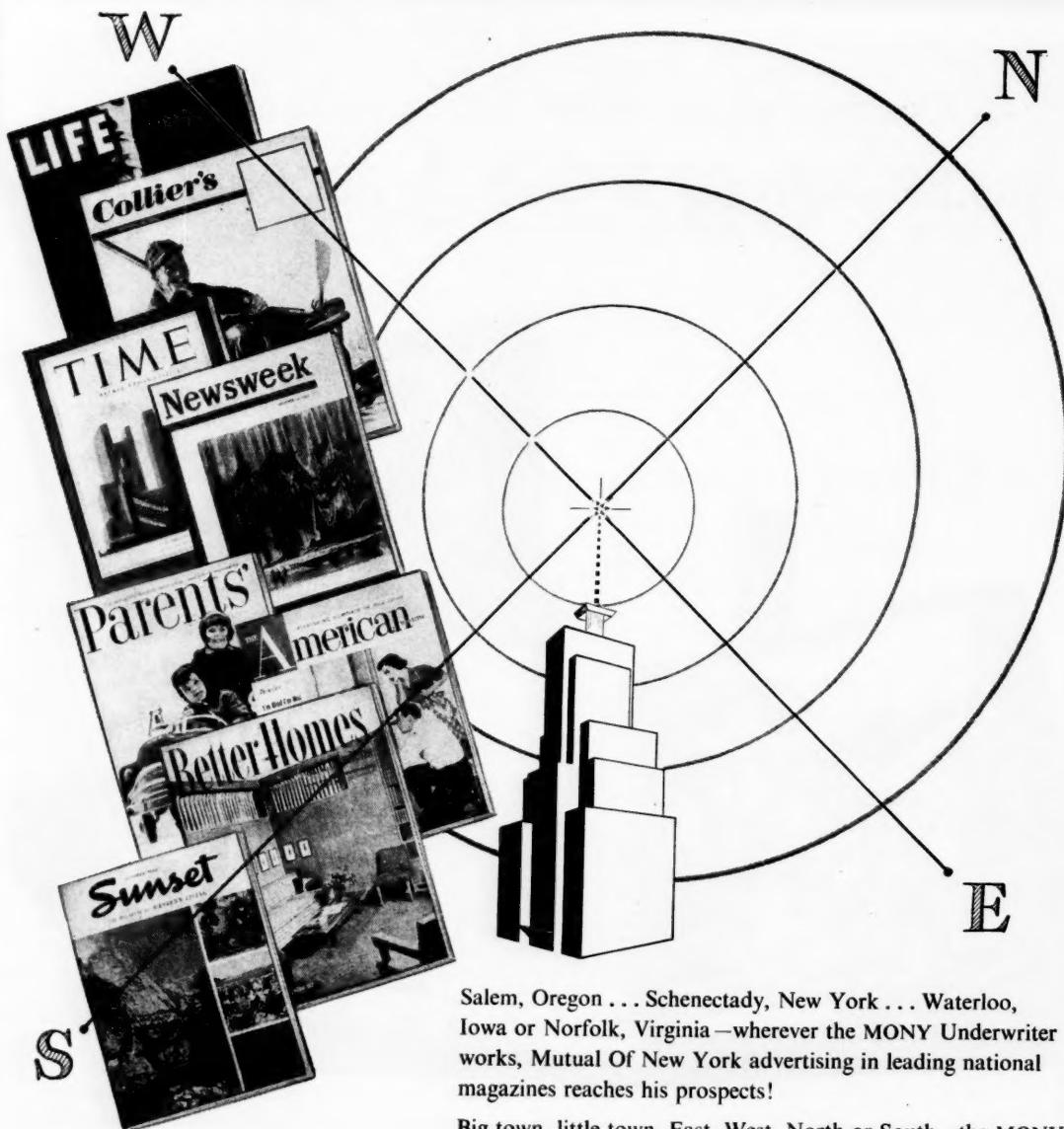
*The* NEW ENGLAND  MUTUAL

*Life Insurance  
Company of Boston*

THE COMPANY THAT FOUNDED MUTUAL LIFE INSURANCE IN AMERICA—1835

FRIDAY, DECEMBER 12, 1952

# MONY ADS Go Everywhere!



Salem, Oregon . . . Schenectady, New York . . . Waterloo, Iowa or Norfolk, Virginia—wherever the MONY Underwriter works, Mutual Of New York advertising in leading national magazines reaches his prospects!

Big town, little town, East, West, North or South—the MONY Underwriter is backed up by strong, straightforward sales messages in the publications his best prospects read. No wonder he can walk up to *any* door with such complete confidence!

## MUTUAL OF NEW YORK "FIRST IN AMERICA"

The Mutual Life Insurance Company of New York  
Broadway at 55th Street, New York, N. Y.



WEATHER STAR SIGNALS ON  
TOP OF OUR HOME OFFICE  
Green ..... Fair  
Orange ..... Cloudy  
Orange flashing ..... Rain  
White flashing ..... Snow

## Bare Group Term Formula at NAIC Life Committee Meet

N.A.L.U., A.I.C., L.I.A. Back  
Lids of \$20,000 or 1½  
Times Annual Salary

NEW YORK—A statutory limit on group term life insurance of \$20,000 per life or one and one-half times annual salary, whichever is greater but not to exceed \$40,000, is the formula that the special committees of National Assn. of Life Underwriters, American Life Convention and Life Insurance Assn. of America have agreed to seek.

This was disclosed at the meeting here of the life committee of National Assn. of Insurance Commissioners. The A.I.C. committee report was adopted by its executive committee Monday. L.I.A. directors adopted its committee's report later in the week, after the N.A.I.C. life committee had met.

Henry S. Beers, vice-president of Aetna Life, chairman of the A.I.C. committee, led off at the N.A.I.C. committee's discussion of the proposed limit. Superintendent Leggett of Mis-

Mr. Beers said the model group definition, including the \$20,000 per life limitation, had been adopted by many states but by no means all of the important industrial states, where a lot of group is written. Various influences have thwarted it, some of them from outside the insurance business. A rather startling reversal of the trend, he said, was the repeal of the \$20,000 limit in New York.

Sketching the activities of the three committees appointed at the suggestion of N.A.L.U., Mr. Beers emphasized that all their deliberations looked toward legislative activity and were not in any way designed to determine what rules companies should adopt on their own. He expressed doubt that anti-compact laws would permit companies to get together for that purpose.

A great deal still has to be decided as to what procedure is to be followed in promoting this legislation, said Mr. Beers. He opined that rather than seeking immediate enactment in every state, each state should be considered individually in the light of conditions prevailing.

"Our general feeling," he said, "is that we would like to do something pretty soon, especially in states having no limits."

Incidentally, in this connection it should be noted that N.A.L.U. is not in favor of modifying the existing limit in those states having a flat \$20,000 ceiling.

Mr. Beers said that in New York the extraterritorial effect of New York laws must be considered. He said he supposed that was the reason the \$20,000 limit was repealed here. He expressed the hope that life committee would see fit to work with the industry committees through a subcommittee or by whatever means the committee might see fit.

C. Manton Eddy, vice-president of

## CIO Asks Appeal, Reargument in Expense Limit Suit

NEW YORK—Insurance & Allied Workers Organizing Committee, CIO, has filed notice of appeal and also moved for a reargument in connection with its suit against John Hancock and Superintendent Bohlinger of New York aimed at determining whether sections 213 and 213-a restrict compensation arrived at through collective bargaining.

The chances that Judge Gavagan of the New York supreme court will grant permission for reargument are extremely slight. The practical value of the appeal move is considerably affected by the fact that the union's present contract with the Hancock runs only till next April.

Briefs in support of the appeal have not yet been prepared.

The motion for reargument is based on the contention that although Judge Gavagan told the union to go ahead and bargain with the Hancock he did not implement this statement by ordering that this be done but instead dismissed the case. The union emphasizes that Hancock refused not merely to grant an increase but refused even to discuss it, on the ground that it would not be permissible under the New York law's limitations.

The union makes the point that if it cited the Hancock to the national labor relations board and the company stated that it could not raise pay because of the New York law, the NLRB would take no action, since administrative agencies do not interpret state laws but leave their interpretation to the courts.

The union also contends that it was not testing the constitutionality of sections 213 and 213-a but was seeking a determination whether the law applied to compensation resulting from collective bargaining, it being the union's position that the national labor relations act overrides state statutory limitations on compensation agreed upon through collective bargaining.

The union's second major point is that in any event it should be permitted to amend its original complaint so as to clear up any points that may have seemed unclear.

## Tax Court Moves to Keep Hobart-Oates Case Open

WASHINGTON—Petition for review of the federal tax court's decision in the Hobart & Oates case has been filed with circuit court at Chicago. Internal revenue people, however, say this does not necessarily mean the appeal will be actively prosecuted. But it was necessary to file by Dec. 5 a "protective appeal."

If it is decided by Department of Justice and internal revenue officials to follow through, the former will brief the case and prepare for oral argument on it.

*Life & Casualty*, owner of Radio Station WLAC, at Nashville, has applied to the FCC for permission to build a television station there. National Life & Accident owns and operates Nashville's only TV station.

## FLUEGELMAN AT L.I.A.A. Asks Coordinating Unit for Home Office, Agency Relations

Top management of life insurance should develop a closer understanding with its agency forces, David B. Fluegelman, Northwestern Mutual Life, New York City, president of National Assn. of Life Underwriters, averred at the annual meeting of Life Insurance Assn. of America in New York City.

Top management often is accused of living in ivory towers, Mr. Fluegelman said, but this he credited to lack of understanding by those on the firing line of the messages from the executives.

"It would be wise for management to concern itself to a greater extent," he said, "with the thinking of its agents. Are we selling the right product? Are we making the necessary adjustments in accord with the changing philosophy of the buying public? Are we concerned with styles and prices to the same extent as exists in other competitive businesses? It is not as important for agents to know the rates and policies in their particular company as it is essential that they convey to the public the true significance of this great institution of life insurance."

Stressing the importance of the agency force to the business, Mr. Fluegelman said, "I recognize that small variations in the interest rate earned on securities may mean the difference between profit and loss in an individual company. However, without a successful and happy agency force, there would be no need of concerning yourselves with the investment aspects of the company; there would be no money to invest. The only new money brought into the company is that delivered by its agency force. Life insurance has no merchandise to sell, only ideas, the ideas created by its agents."

For the development of this better common understanding, Mr. Fluegelman suggested the establishment of a home office department to act somewhat as a train dispatcher. It should have, he said, an objective point of view that understands something about agency operations, something about actuarial science, something about legal ramifications and a host of other problems. Of top level caliber, this department would see that everything was shunted into proper channels and everything kept moving.

"This would leave top management free to attend to its own responsibilities and would designate someone to operate in this nebulous region where thoughts and ideas stop flowing in one direction and begin to flow in another," he said.

## Ind. Possibilities Narrowed to Townsend, Wells

The selection of insurance commissioner for Indiana is reported to be narrowed down to Russell Townsend, who is general agent for Equitable Life of Iowa at Indianapolis, and Harry Wells of Indianapolis, former chief examiner of the Indiana department.

## Atmosphere of Calm, Relaxation Marks N.A.I.C. Convention

Few Pressing Problems,  
Many Candidates for  
Passe Club Membership

By LEVERING CARTWRIGHT

NEW YORK—The convention here this week of National Assn. of Insurance Commissioners was the lame duckiest since St. Petersburg, Fla., in 1932. That communicated to the proceedings an inanition that was far from unwelcome to the tillers of the industry vineyards that have had to deal with supercharged sessions and pressing problems ever since the 1944 decision of the Supreme Court in the S.E.U.A. case. Besides the fact that there was such a large number of moribund commissioners around there were few matters that were crying for attention and all in all this convention was a "sleeper."

One of the busiest men during the week was Guy Ferguson, the prominent Chicago placement company head who was being consulted by deputies and

## N.A.I.C. MEETING DATES SET

At the N. A. I. C. executive committee meeting Sunday afternoon, it was announced that the dates for the 1953 annual meeting at the St. Francis Hotel at San Francisco have been officially set for June 7-11. The dates and hotel for December, 1953, at Miami Beach have not been settled.

N.A.I.C. at its Wednesday afternoon session decided to hold the 1954 annual meeting at the Sheraton Hotel, Detroit, June 6-11.

Commissioner Navarre suggested that the dates and times for both the annual and midyear meetings be changed. The usual June dates conflict with school graduations and come at a time when there is a lot of pressure from other compelling business. The winter meeting comes too close to Christmas, he said.

other department personnel and maybe even a commissioner or so from those states where Nov. 4 spelled change.

The week was saddened by the death at the Roosevelt Hotel at 4 a.m. Tuesday of W. W. Hamilton, who was executive manager of Chicago Board of Underwriters and Illinois Assn. of Insurance Agents and who had been mentioned as a possibility for appointment as Illinois insurance director. He had a heart impairment and had been required to be away from his work for several months recently. This was suggestive of other deaths in recent years during the period of N.A.I.C. conventions—that of Martin Holohan, chief examiner of the Illinois department at Swampscott, and Al Butler of Corroon & Reynolds at Atlantic City.

It was ironic that for this convention, with so little of consequence to be acted upon, the mechanics of processing and distributing committee reports should have been worked out to perfection. In the past the fact that the net effect of the week's labors in the form of

## 1952 a Saga of Life Records, LIAA Told by Shepherd

New York Rally Elects Boyd as President, Hears O'Leary Report

NEW YORK—Records in the amounts of life insurance purchased and owned by the people of the United States and in benefits paid by the companies in 1952 were reported by Bruce E. Shepherd, manager of Life Insurance Assn. of America, at the association's annual meeting here.

Mr. Shepherd estimated new life purchases at close to \$33 billion for the year, 12% above last year's total and 7% higher than the previous annual record established in 1950. These new purchases plus revivals, increases and dividend additions, Mr. Shepherd continued, exceeded by more than \$22 billion the amount of insurance terminated during 1952 by reason of death, maturity, surrender, or in some other manner. This resulted in the highest annual net increase in insurance in force on record, he stated, and will bring the total number of policyholders to around 88 million and the aggregate of life insurance protection in force to a new high of over \$275 billion by the year-end.

**President—Morton Boyd, president Commonwealth Life.**

**Directors**—Three years, O. Kelley Anderson, New England Mutual; William J. Cameron, Home Life of New York; Edmund Fitzgerald, Northwestern Mutual Life; Devereux C. Josephs, New York Life; A. J. McAndless (reelected) Lincoln National, for two years to succeed Mr. Boyd, Deane C. Davis, National Life of Vermont. All are presidents of their respective companies.

Mr. Shepherd estimated the benefits paid by the life companies to pol-



BRUCE E. SHEPHERD

icyholders and beneficiaries during 1952 at a record-breaking total of more

than \$5 billion. Benefits under life insurance and annuity contracts were estimated at more than \$4 billion, an increase of 4% over the 1951 figure. Of this total, about 44% will represent death benefits paid or credited to beneficiaries of deceased policyholders, Mr. Shepherd estimated, and the remaining 56% will be benefits to living policyholders as matured endowments, disability payments, annuities, surrender values, and policy dividends. In addition, Mr. Shepherd stated, more than \$890 million will be paid by the life companies under A. & H. contracts this year, an increase of 17% over the 1951 figure.

Mr. Shepherd placed new ordinary insurance acquired by the people at over \$21 billion for the year, insurance under new group contracts at more than \$5½ billion, and new industrial coverage at nearly \$6 billion. The purchases of new ordinary and group were each 13% higher than the respective figures for 1951, while industrial showed a gain of 8%.

Assets of all U. S. legal reserve life insurance companies increased by approximately \$4.9 billion during 1952 to an estimated total of \$73.2 billion by (CONTINUED ON PAGE 23)

### Provident Mutual Producers Set Record Month for Linton

Provident Mutual Life agents scored their best November in company history in honor of President M. Albert Linton, who will become chairman at the first of the year. Mr. Linton has been president since 1931.

Top producers for the month will be listed in the M. Albert Linton Honor Roll which will appear in the company publication, Field Notes.

### Top Bankers Natl. Agents Help Mark Silver Anniversary

NEW YORK—Bankers National Life climaxed its silver anniversary celebration with a dinner here attended by directors and officers, home office employees, field representatives from all parts of the country, and other guests.

The dinner marked the end of the Master Producers' convention and the beginning of the President's Club convention.

Members of the latter club and their wives, along with several representatives from the home office, sailed on the Queen of Bermuda for a week's cruise to Bermuda and Nassau.

Ralph R. Lounsbury, president and a director, was toastmaster and gave a short talk, in which he introduced other members of the board, F. S. Astarita of the investment committee, agents having \$1 million or more in force with the company, and the officers of the two production clubs. These are H. J. Baker of Boston and G. E. Parris of Philadelphia, chairman and vice-chairman, respectively, of the President's Club, and A. J. Boardman of Boston, G. M. Mills of New Brunswick (CONTINUED ON PAGE 23)

R. R. Lounsbury



### Expansion of Local Health Services Is Company Concern

**Henley Institute Headliner, Fitzgerald Takes Over as Chairman at N. Y. Meet**

NEW YORK—The life insurance business should help in meeting the need for expanded health services at the local level, Robert E. Henley, president of Life of Virginia, said in his address as chairman of the Institute of Life Insurance at the institute's annual meeting in New York City.

"The life insurance business might well give serious thought to what it can do to cooperate with existing agencies for promoting health education and giving leadership and guidance in solving health problems," Mr. Henley said. "These agencies and the groups of men and women striving so earnestly to strengthen health programs would welcome participation by representatives of life insurance in their discussions and in the planning of their projects."

This activity was suggested as a part of the third phase of public relations which Mr. Henley said American business, including life insurance, is now entering.

The first phase, started a number of years ago, was described as a defensive presentation of the story of business when it was being subjected

**Chairman—Edmund Fitzgerald, president Northwestern Mutual Life.**

**Directors**—Morgan B. Brainard, Aetna Life; Louis W. Dawson, Mutual Life; H. H. Holderness, Jefferson Standard Life; Powell B. McHaney General American Life. All are presidents of their respective companies.

to unwarranted criticism. The second phase was that of fact-assembley and fact-distribution, to make available to the public a progress report and explanation of operations.

"The third phase, in which we now find ourselves, is that of rendering a broad public service beyond the routine of our individual businesses," Mr. Henley continued. "It is no longer enough just to correct misinformation or pass along facts and figures. The public now expects us to adopt a positive, forward-looking program. We must assume a proportionate share of the responsibility and performance in leadership in the community. We, the corporative persons, have become full-fledged citizens of the community and, as such, are expected to do as much for the community as any citizen—even more, because of our relative status as a multiple citizen."

Among several illustrations cited by Mr. Henley of public services rendered by the life insurance business was the contribution towards medical research through the life insurance medical research fund. Another was the anti-inflation drive of the life insurance business, seeking to help curb the inflationary spiral. These efforts and all like them are enthusiastically received by the public, Mr. Henley said.

Following Mr. Henley's talk, was the first showing of a new sound slide (CONTINUED ON PAGE 24)

**The COMMONWEALTH Commentary**

**The Plan for 1953**

No highly successful operation is achieved without the laying of plans and the establishment of definite goals. A plan must be made before its implementation can begin.

And so next week Commonwealth will hold its annual Managers Planning Conference to acquaint its District and Branch Managers—and through them their Fieldmen—with the Company's plans and goals for the coming year. Periods of consultation, explanation and discussion will take place, and each manager will return to his job with a thorough knowledge of the part that he and his associates are to play.

It is the Company's belief that in 1953, as in past years, the action will surpass the plan.

INSURANCE IN FORCE, November 1 — \$595,175,426

**COMMONWEALTH**  
**Life Insurance Company**  
HOME OFFICE • LOUISVILLE, KY.

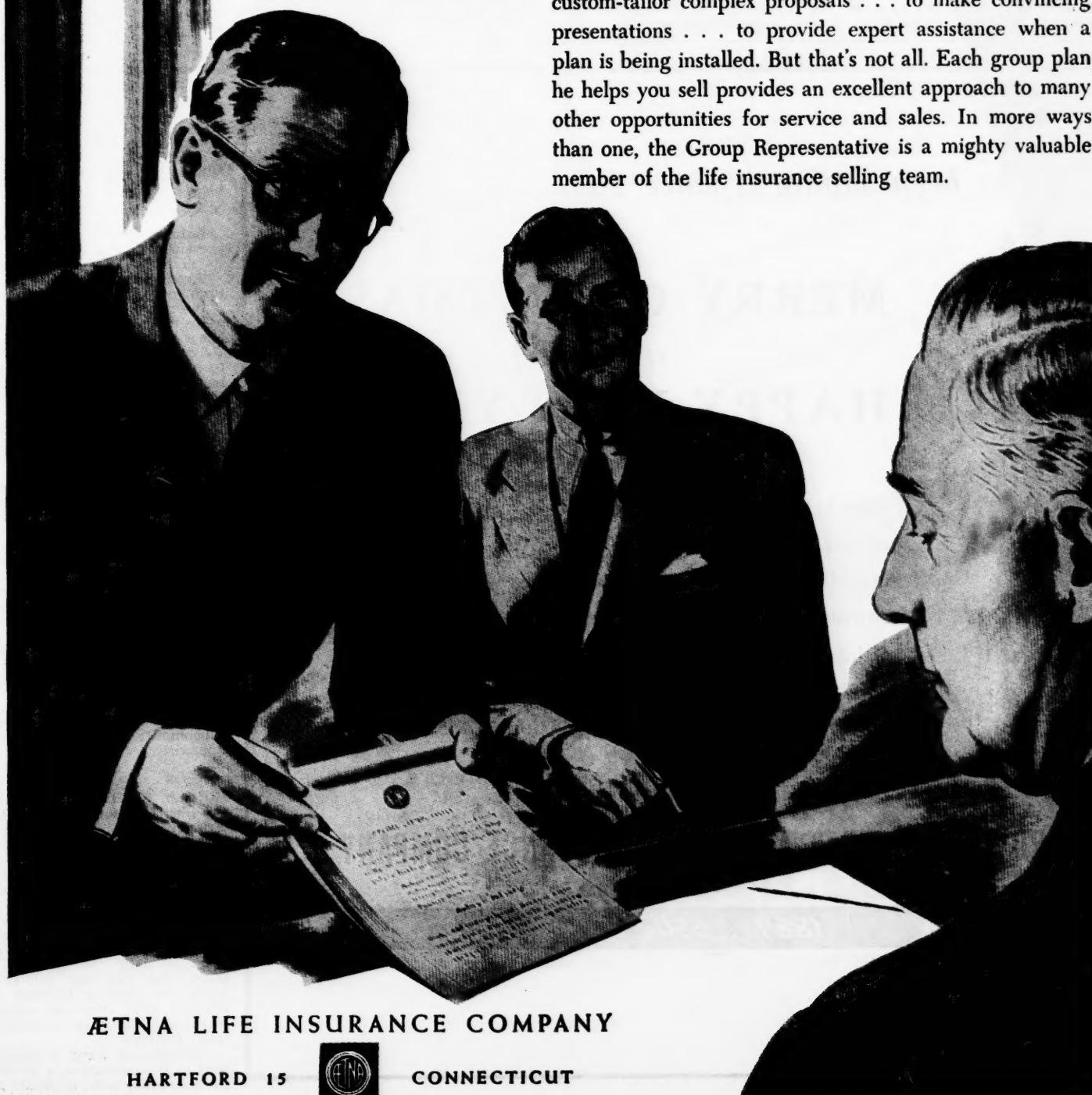
The Doorway to Security

# *His special brand of Knowledge*

**HELPS YOU SELL MORE LIFE INSURANCE**

*One of a series of advertisements dedicated to the men and women whose skill, knowledge and effort contribute so importantly to the life insurance salesman's success.*

Few fields offer richer rewards, yet few are so intricate, fast-moving and competitive as Group Insurance—thus the necessity for a special Group Representative. Intensive training and constant study give him the skill and knowledge to impress prospects that he is an authority . . . to custom-tailor complex proposals . . . to make convincing presentations . . . to provide expert assistance when a plan is being installed. But that's not all. Each group plan he helps you sell provides an excellent approach to many other opportunities for service and sales. In more ways than one, the Group Representative is a mighty valuable member of the life insurance selling team.



**ÆTNA LIFE INSURANCE COMPANY**

HARTFORD 15



CONNECTICUT

## New Family "Types" Add to Insurance Importance: Johnson

NEW YORK—An important social change has been taking place in family relationships and in the make-up of family units in the United States, Holgar J. Johnson, president of the Institute of Life Insurance said at the institute's annual meeting in New York City. This has resulted in a much greater need for and interest in providing for family financial security, he said.

"There has been a shift from the integrated family unit, such as we knew a generation or so ago, the type of family which took the responsibility



Holgar Johnson

for all persons in the family—especially in times of adversity—to the small individual and independent family," Mr. Johnson said. "This new type of family is more mobile and is primarily job-oriented or, as some would say, job-dependent. Under this changed situation, it becomes apparent that life insurance has an increasingly important role to play in replacing the element of security which formerly came from that family solidarity." This older type of family is still prevalent in many parts of the world, he added.

There is a need for social research. Mr. Johnson said, if the full significance of the social impact of life insurance in the lives of the people is to be determined.

Discussing government social security, which he called one of the products of this social change in the family, Mr. Johnson pointed out that there is one great difference between life insurance and social security, which the public should understand. This is the fact that, "whereas the use of life insurance to provide protection and security carries with it a sense of doing something for oneself and his family, the same cannot be said for social security, unless social security becomes regarded as

something which is bought and paid for on a basis comparable to life insurance." Social security should be recognized for what it is, he emphasized, namely a social insurance system, more and more of the cost of which will be borne by the whole community through taxation.

Mr. Johnson said that the social environment in which business operates will be different tomorrow from today. By this, he referred to the basic changes which are continuously taking place.

"There may be some who will hope that because there is to be a new national administration coming into power it will materially change the conditions under which business functions," he said. "But there is no reason to expect that the clock will be turned back and, in fact, I don't believe that business wants it done. It can well be that all segments of the society, including business, will find themselves in a more favorable climate. However, we must keep in mind that as a result of the economic and social changes that have taken place, government has come to occupy an increasingly important place in the lives of our people."

## New Bond Tests in Securities Valuation Are Considered

### N.A.I.C. Committee to Apply Formula to Selected Companies This Year

NEW YORK—The deliberations of the valuation of securities committee at the meeting of National Assn. of Insurance Commissioners here were devoted largely to the two new tests proposed by the subcommittee that is headed by Allyn of Connecticut. In the absence of Bohlinger of New York, Mr. Allyn presided at the session of the committee, of which he is vice-chairman.

The bond tests proposed by the subcommittee and developed by it and the joint industry committee on valuation of assets, that is headed by Sherman Badger of New England Mutual, will be applied to the portfolios of selected companies as of Dec. 31, 1951. This application, scheduled to be completed by next Jan. 30, will be the base for decision by the subcommittee on what final tests to adopt. In answer to a question from De E. Bradshaw of Woodmen of the World, Mr. Allyn said tests as adopted will be put into effect in 1954.

In brief, test No. 1 would replace the present system of determining eligibility of bonds. The present system uses ratings and yield and contains measurements for private placements.

Instead of yields and ratings the test takes into account a company's balance sheet and earnings statement.

Test No. 2 would in effect establish a new class of bonds eligible for amortization that are not now eligible. Here the commissioners have gone part, but not all of the way with the Hubbell report, making certain bonds eligible for amortization that are not under present rules bottoms on the theory that when the company sets up reserves to offset losses expected on such bonds it has anticipated losses likely to occur, as the commissioners want to be certain is done. Test 2 is a more scientific way of handling the matter than the present approach, commissioners believe.

Discussions at the committee meeting also indicated that companies and commissioners had reached a livable compromise on the instructions sent out this fall by the staff of the valuations committee to companies for furnishing information on private placements. The business objected to these as being too complicated and the information sought not too valuable. The subcommittee then modified the questionnaire.

Henry C. Hagerty, financial vice-president of Metropolitan Life, put in a letter at the meeting, opposing the new tests. An apparently successful application of the tests to particular portfolios as they exist at this time would be more apt to be deceptive than persuasive, according to Mr. Hagerty. Though formulas devised to give a more or less predetermined result in an existing situation may seem initially to possess intrinsic merit, the true test will only come when the situation changes, as it inevitably will, from the varying economic conditions and changing investment patterns.

Metropolitan wants a chance to present to the committee a written statement as to the tests, as finally proposed, (CONTINUED ON PAGE 26)

We've been saying it since 1887...

MERRY CHRISTMAS  
and a  
HAPPY NEW YEAR

The field Representatives and Home Office staff of the Provident extend best wishes and season's greetings to our friends and business associates throughout the insurance industry. It has been an enjoyable privilege to know and work with you during the past year—and we look forward to another year of pleasant association in 1953.

**PROVIDENT LIFE & ACCIDENT INSURANCE COMPANY**

CHATTANOOGA

1887... 65th Year... 1952



## Aspects of Health Care Treated at N.A.I.C. Meeting

A symposium on various aspects of health service was staged Monday morning at the session of the N.A.I.C. Blue Cross-Blue Shield subcommittee with Leslie of Pennsylvania presiding. Speakers were Abraham Oseroff, vice-president of Pittsburgh Blue Cross; Frank Dickinson, economist for American Medical Assn.; E. Dwight Barnett of Detroit, trustee of American Hospital Assn.; Dr. Charles Gordon Heyd, president of United Medical Service of New York; Jay C. Ketchum, executive vice-president of Michigan Hospital Service Assn.

Except for Mr. Barnett, the talks were non-controversial. He indicated strong partisanship for Blue Cross as compared with commercial insurance company coverage. He said he fears if the commercial companies become too strong they will tend to control the purse strings and control the nature of medical service. In Detroit, he said, 71% of the hospital patients come in under prepayment plans. Fifty percent are Blue Cross and 21% commercial companies. Under the Blue Cross he said there is a 3-way contract and the net effect is that the hospitals are selling their services on a prepayment non-profit basis. He said he would not lose his fear that commercial companies would exert dollar control over medical-hospital services until they sat down and discussed their place in the whole picture. The hospital people have no say in the matter when the commercial companies are making a profit on "our services."

Although the representatives of the commercial companies got hot under the collar at this, the hour was getting late and they decided against making an issue of this at that forum.

Dr. Oseroff said there are now 87 Blue Cross plans. They insure about 43 million persons and there are an equal number insured under group plans of commercial companies. That total is more than half the population of the country. Blue Cross premiums this year will run \$600 million. All of this has been accomplished under voluntary plans without government subsidy.

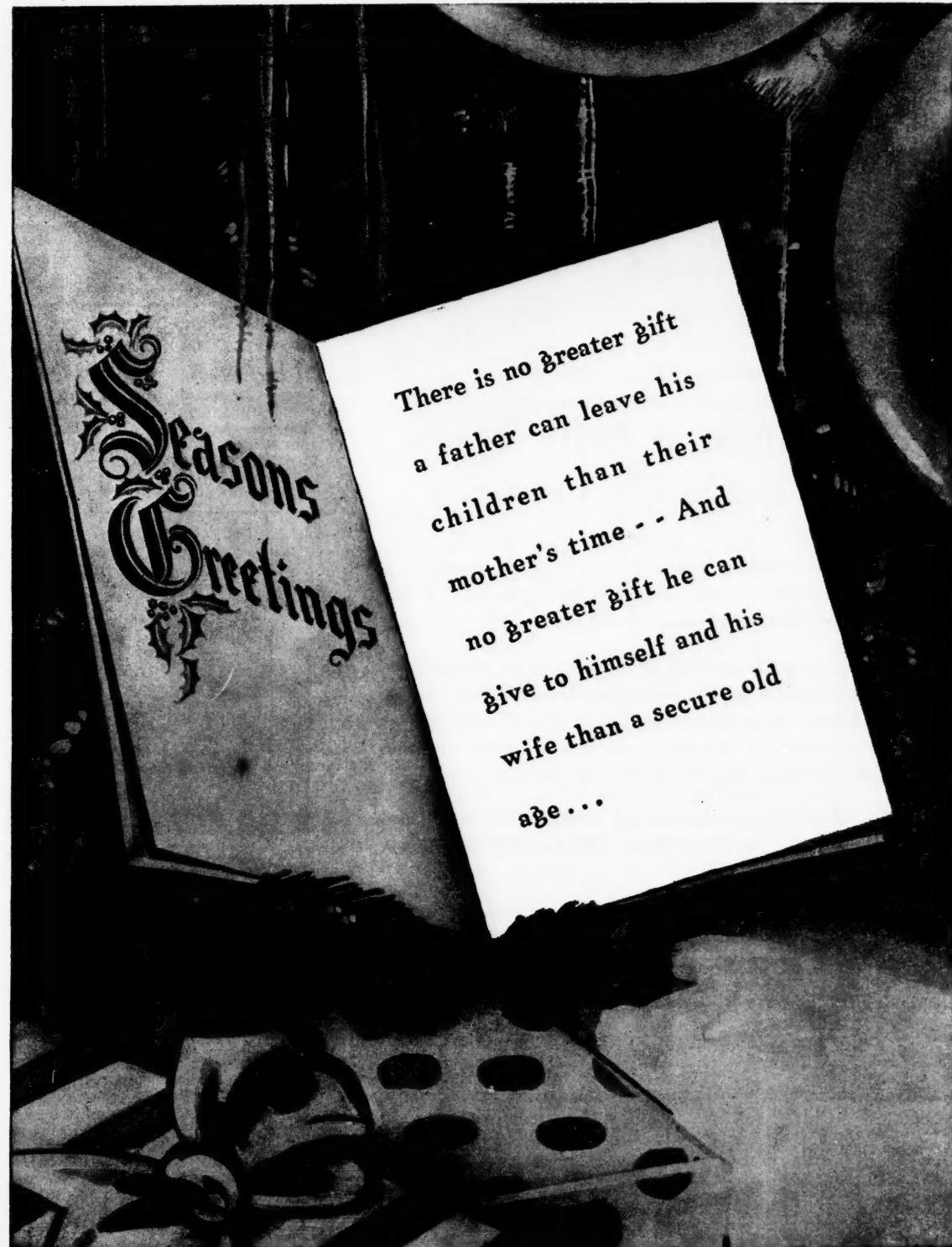
He touched on the high cost of health care, saying this could be reduced if the standards of 20 years ago were to be applied. There have been rapid improvements and turbulent progress in health care and this has to have a price tag. The correction of the wage rate and the length of the work week in the hospitals had to come, but the effect was all the more severe because it happened during an era of inflation. Then there has been the introduction of new medical and hospital techniques. The financial concepts of 20 years ago are no longer applicable.

If the government paid its full share of caring for the indigent sick, the cost of hospital and medical care to others would be cut 10%. Too many voluntary funds have to go to pay for the care of indigent sick and staff training that should go for new equipment. There should be community action with hospital leaders to avoid duplication of services. The Blue Cross asks doctors and hospitals to avoid overuse of facilities.

Dr. Dickinson said the BLS index for 1951 was 185.6 against par for the period 1935-39. However, medical care and drugs were at 155 and physicians fees 145.2. The "bad actor" was hospital room rates at 260.7. This was due in large part to the shift to the eight-hour day for nurses. However, he emphasized that the average stay in the hospital has been cut radically.

The \$9 billion medical payment expenditures in 1951 was 4.3% of consumer expenditures and that compares

(CONTINUED ON PAGE 26)



**BENEFICIAL LIFE  
INSURANCE COMPANY**

David O. McKay, Pres.

Salt Lake City, Utah



"It's your minister . . . He claims you know more about his congregation than he does!"

## Bankerslifemen Really Know How to Qualify Prospects

The amount of knowledge Bankerslifemen develop for qualifying a prospect is terrific . . . but, admittedly, it is doubtful that they often are ahead of their ministers on this score.

The economy in time and effort that can be accomplished through qualifying a prospect thoroughly is drilled into Bankerslifemen during their training period. Then, through both training and supervised activity, they are shown how to develop the information that lets them spend their time with qualified prospects.

Yes, Bankerslifemen are told and shown how to be the kind of life underwriters you like to know as friends, fellow workers or competitors.

**BANKERS Life COMPANY**  
DES MOINES, IOWA



An Old Line Company with an outstanding Record of the Low Net Cost.

Ins. in Force December 31, 1951—\$246,139,001.

Agency Openings for Lutherans in 21 states.

**LUTHERAN MUTUAL LIFE INSURANCE COMPANY**

Waverly, Iowa

## A.L.C. Makes Several Staff Promotions, Kastner Gen'l Counsel Day to Prudential Feb. 1 as Associate General Counsel

American Life Convention has advanced Ralph H. Kastner, who recently celebrated his 30th anniversary, from associate general counsel to general counsel. He is chairman of the American Bar Assn. insurance law section.

W. Lee Shield, who joined the A.L.C. legal staff four years ago after being Ohio insurance superintendent, was advanced from counsel to associate general counsel.

Irving V. Brunstrom and Clark C. Bryan were advanced from attorneys to assistant general counsel. William P. Walsh and Wendell K. Simpson were advanced to attorneys.

Robert A. Crichton, associate counsel and before that insurance commissioner of West Virginia, was named counsel.

### Elect Lafot President of L. A. Life Managers

Lloyd Lafot, New York Life, was elected president of Life Insurance Managers Assn. of Los Angeles at its annual meeting. He succeeds Walter S. Payne, Prudential.

The new vice-president is Laurel Miller, Sun Life of Canada. Secretary-

Appointment of J. Edward Day, director of insurance of Illinois, as associate general solicitor of Prudential is announced by Carroll M. Shanks, president, effective Feb. 1.

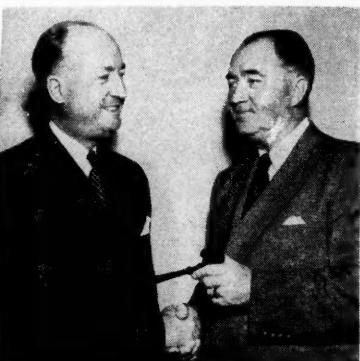
Mr. Day will occupy a key post in Prudential's law department which is headed by Sylvester C. Smith, Jr., general counsel.

Prior to becoming insurance director in Illinois Sept. 1, 1950, Mr. Day served 18 months as legal and legislative assistant to Governor Stevenson.

A graduate of University of Chicago, he received a law degree cum laude from Harvard law school in 1938. He practiced law in the Chicago firm of Sidley, Austin, Burgess & Harper until the second war. After four years as an officer in the navy, he returned to his Chicago law firm. He is chairman of the midwestern zone of the National Assn. of Insurance Commissioners and vice-chairman of the N.A.I.C. life committee.



J. Edward Day



Mr. Lafot, left, the new president, is shown receiving the gavel from Mr. Payne, the retiring president.

treasurer is Harold W. Dougher, State Mutual Life.

There was a panel discussion of agency procedure with Thomas E. Craig, Aetna Life; Carl Wood, New York Life, and Troy M. Zeigler, Prudential, participating.

### High Honor to S. W. Souers

WASHINGTON—The Distinguished Service Medal was presented by President Truman to Rear Admiral Sidney W. Souers, former executive of General American Life. Mr. Souers has briefed the President from day to day on security matters. He has been credited with valuable service, particularly in connection with the Berlin blockade and air lift of 1948; also with having organized the central intelligence agency and national security council. He served as executive secretary of the latter for more than a year and was first director of the central intelligence group, predecessor of CIA.

### United Benefit to Enter Canada

United Benefit Life will enter the Canadian market with the chief agent in that country being L. F. Flaska, resident vice-president of Mutual Benefit. The latter company has been doing business in Canada since 1935.

Canadian headquarters will be at Toronto, with other sales offices throughout the provinces.

## Ohio National Makes Top Level Promotion

Ohio National Life has made several promotions among home office officials.

G. E. Coxworth, associate general counsel, was promoted to general counsel; I. M. Magorian, assistant secretary, was advanced to assistant vice-president; J. W. Benson, manager of the punched card accounting department, was elected assistant comptroller, and B. E. Hopton, an officer, was designated agency secretary.

Other offices and their recipients were: Secretary-treasurer, A. Otis Graeser; assistant secretary and purchasing agent, Guy Fronk; assistant comptroller, W. G. Langdale.

## Eight LIAMA Management Schools Scheduled for 1953

Due to record advance reservations for the schools in agency management, L.I.A.M.A. will conduct eight two-week schools for managers, general agents and home office agency department personnel in 1953, instead of seven as for the last several years. Tentative registrations for 692 men from 137 member companies have been received.

Two schools will be for combination company field management representatives and the remaining six will be ordinary schools. Combination schools will be held March 23-April 3 at Savannah, Ga., and May 18-29, Williamsburg, Va. The schedule for ordinary schools includes: March 23-April 3, Daytona Beach, Fla.; May 4-15, Pasadena, Cal.; June 8-19, College Station, Tex.; June 8-19, Chalfonte-Haddon Hall, Atlantic City; July 13-24 and July 27-Aug. 7, Edgewater Beach Hotel, Chicago.

The 1953 schools will continue to emphasize business management for two days and sales management in all phases for the rest of the two-week period.

Lloyd Harrison of Phoenix Mutual discussed his methods for getting newcomers started in the life business at the December meeting of Seattle managers.

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December 12, 1952

## SHANKS ADDRESSES BANKERS

**Pressure Groups, Inept Govt. Policies  
Cause of Inflation and Instability**

There are indications that in 1953 the great productive power of the

American economic system may, for the time being at least, meet the problem of inflation, said President Carroll M. Shanks of Prudential in his talk at the annual meeting of the Investment Bankers Assn. of America at Hollywood Beach, Fla.

Mr. Shanks said the erratic and inflationary move-

ments of prices in the postwar years have resulted partly from the tremendous demands of the defense program superimposed on the normal demands of the peacetime economy.

"Possibly some price rise has been unavoidable under these circumstances," he said. "But the price rise of the postwar period has not been simply a reflection of the defense program. It has in large part been a reflection of the attempts of small but powerful pressure groups to secure more for themselves in returns than they have been willing to contribute in increased productive effort. It has, in addition, been a reflection of inept and conflicting government policies which have done more to contribute to inflation and instability than to curb these unsettling forces."

Mr. Shanks warned that in spite of production meeting the inflation problem in 1953, the problem of stability is as unsolved as ever. He said the basic rules on what to do are simple and well known but they are infinitely more difficult to put into effect and carry out than "the easy way of inflationary palliatives pursued to date."

Mentioning general credit controls and sound monetary policy, sound fiscal policy, federal debt management in accord with the evaluation of the market place, free markets, free prices, free production and consumption, and "trade—not aid," Mr. Shanks said, "There is hardly one of these, salutary as they are, which will not arouse the most fierce and determined opposition of special groups."

Discussing a few of these measures, Mr. Shanks said that in the field of Federal Reserve monetary policy, "we must recognize that the interests of our whole economy are more important than the narrow interests of the United States Treasury. It is, of course, essential that the government securities market be orderly, particularly at times when the Treasury is offering a new or a refunding issue. But let us not confuse an orderly market with a pegged one."

He said that if the market is not pegged, the Federal Reserve System can contribute a great deal toward the stability of the economy.

"Since the removal of the pegs in March of 1951, we have seen a wise use of the general credit controls of the Federal Reserve System to restrain a potentially inflationary situation," he said.

Mr. Shanks said that in addition to a wisely administered monetary policy, stability of the American economic system requires a sound and intelligent fiscal policy on the part of the federal government. Much can be done toward maintaining a stable level of business activity through varying the relationship between the revenue and the ex-

penditures of the federal government. A good deal of artificial pressure can be removed from the monetary system if the government will rely in its debt management on the evaluation of the market place.

"We should rid ourselves once and

**Old Insurance Executives Don't Fade Away—They Just Lose Interest, Johnston, Says**

Eric Johnston, president of Motion Picture Assn. of America, the speaker at the luncheon in honor of National Assn. of Insurance Commissioners at New York City, drew quite a laugh at the outset of his talk by his observation that old insurance executives don't fade away they just lose interest. He cut short a trip to South America to address the luncheon and arrived by air just an hour before his scheduled appearance.



C. M. Shanks

## "HOME TOWN BOYS" MAKE GOOD

This Company has recently announced a number of executive changes, involving the advancement of 19 people, including our top executives. This is in line with the Company's policy of making all promotions within the ranks.

Without a single exception, all these 19 people started at the bottom with the Company and earned their way to their new positions. Their service averages almost 25 years each.

Seems to us this is a fine evidence of opportunity, not only in our Company and our industry, but in free enterprise in America.

**The NATIONAL LIFE  
and ACCIDENT**

**Insurance Company**

INCORPORATED

Home Office: NASHVILLE, TENNESSEE



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## Fifty-Ninth Year of Dependable Service

★ The State Life Insurance Company has paid \$181,000,000 to Policyowners and Beneficiaries since organization September 5, 1894 . . . The Company also holds over \$79,000,000 in Assets for their benefit . . . Policies in force number 102,500 and Insurance in force is over \$217,000,000 . . . The State Life offers splendid agency opportunities—with liberal contract, and up-to-date training and service facilities—for those qualified.



## THE STATE LIFE INSURANCE COMPANY

Indianapolis, Indiana



MUTUAL LEGAL RESERVE FOUNDED 1894



### flexible... Pacific Mutual's

complete personal protection plans ARE flexible—more flexible; to sell in the first place, and to re-sell if the policy owner's needs change. One reason—they include ACCIDENT & SICKNESS DISABILITY INCOME.

## Pacific Mutual

LIFE INSURANCE COMPANY

HOME OFFICE—LOS ANGELES, CALIF.  
Doing business only through General Agencies located in 41 states and the District of Columbia



### EITHER... OR, ZIMMERMAN SAYS

## Life Insurers Must Offer All Personal Coverages

NEW YORK—Life companies must make available "to all our people" all forms of personal insurance, for failure to do so not only invites others to fill the gap but creates public demand that this be done, said Charles J. Zimmerman, managing director of L.I.A.M.A. at the annual meeting here of Life Insurance Assn. of America. He emphasized that government is responsive to public demand.

Mr. Zimmerman said that in his opinion life companies have a major responsibility to cover A. & H., hospital, surgical, medical expense and catastrophic illness because disability insurance is a fundamental form of personal coverage, dealing with human values, not property values. Without it, personal security coverage is incomplete.

"It is logical, therefore," he said, "that the same insurer and the same insurance representative offer these closely related personal insurance coverages to the prospective policyowner. Failure to do so results in failure to give the individual a well-rounded, balanced program of personal insurance."

"Ask yourselves whether the earnings of your agents have kept pace with the increase in the cost of living, with the increase in earnings generally, and with the increase in the importance and complexity of their work. Ask yourselves whether improvement in sales management has kept pace with improvement in selling. Finally, ask yourselves whether your leadership is such as to have established and maintained sound human relations with your home office and field associates."

Mr. Zimmerman emphasized that great strides have been made in recent years in solving some of the problems he highlighted, but he urged that top management exert real leadership in continuing to find solutions. He discussed the relationship of the company president to the agency department, the sales branch of the company and said:

"Top management must take equal responsibility for the agency affairs of the company as it does for investment, underwriting, home office administration and other phases of company operation. Successful distribution is the very lifeblood of company operations. Without it, the company has no reason to exist and no possibility of existing. Greater opportunity for improvement exists in distribution than in any of the related fields of company operation. Further, improvement, in the area of distribution will pay off far more handsomely than improvement in any other area."

He said each company must make an individual decision about entering the disability field and the decision must be based on a consideration of its obligations to a number of groups—the public, its policyholders, its field representatives, its home office employees, the community, and in some cases, the stockholders.

"All of these groups have a stake in

the welfare of the company," Mr. Zimmerman pointed out, "and the company has a stake in the welfare of all of these groups."

As in his talk at the annual meeting of L.I.A.M.A. last month, Mr. Zimmerman said that top management should concern itself with making the life insurance sales career less difficult and more attractive by making life insurance easier to buy on the monthly installment basis through payroll deductions.

He also reminded the industry leaders that life insurance coverage has not kept up with the increases in national income, in disposable income, in real productivity and with the growth of population. The number of ordinary cases sold has been decreasing since 1942 and more and more insurance has been sold to fewer and fewer people.

### Milwaukeean Collects on 75 Year Old Life Policy

MILWAUKEE—One of the oldest life contracts in force in the United States, a 20-payment policy issued Jan. 18, 1879, to Willis S. Johnson, Milwaukee, by Northwestern Mutual Life, was paid at its full face value Sunday, assured's 100th birthday.

Presentation of the \$1,000 check was the occasion of an informal ceremony at the home of the centenarian. Philip K. Robinson, vice-president of the company, who personally gave the check to Mr. Johnson, was accompanied by Willard L. Momsen, Milwaukee general agent.

Premium payments on the 75 year old policy, which Mr. Johnson purchased from James L. Townsend, then a Northwestern Mutual agent at Fox Lake, Wis., were completed in 1897, and totaled \$558.80. As the dividends paid by the company during the life of the policy totaled \$561.29, Mr. Johnson has received \$2.49 more than his total payments for \$1,000 of protection during three-quarters of a century, plus the face amount of the policy.

Mr. Johnson, a former railway express messenger, retired when he was 75.

### Chicago Selection Men Meet

Chicago Home Office Life Underwriters held their last meeting for the 1952 season in the form of a combined Christmas party and business session. About 50 members attended, including representation from Franklin Life and State Farm Life.

On the serious side of the evening, there was a lively panel discussion moderated by Miss Vi Drake, North American Accident. Clifford Davidson, Mutual Trust Life, covered female risks as related to waiver of premium, payor benefit and term insurance. Wesley Hunnell, president of Pilgrim National Life, discussed liberalization of non-medical limits.

### Has Second Agency School

A second agency builder school has been conducted by Aetna Life at the home office, with 20 general agents, assistant general agents and supervisors from 18 states attending.

Among subjects studied were recruiting and training of new personnel, and agency management.

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## LIFE INSURANCE EDITION

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## Pansing Named Neb. Insurance Director; Succeeds Laughlin

Thomas R. Pansing, Lincoln attorney, has been named insurance director of Nebraska by Gov.-elect Robert Crosby. Mr. Pansing is 38 and directed Crosby's Lincoln headquarters during the campaign.

He will succeed Loren Laughlin who was appointed several months ago by Gov. Val Peterson, to succeed Bernard R. Stone, resigned.

Whether Pansing will get the present \$5,000 salary or \$6,500 will depend on a state supreme court decision. Laughlin brought action to force payment of the higher figure. The state auditor has refused to approve vouchers for the increase. The case will come up in January.

Mr. Pansing served on the Lincoln city council 1947-1951 and was vice chairman the second two years. He was named "outstanding young man of 1948" by the Lincoln Junior Chamber of Commerce.

Mr. Laughlin has told him, Mr. Crosby said, that "he will before long accept private employment of a responsible nature and I have thought it better to begin my term with a director for this important department whose tenure was permanent in nature."

## Magnuson Group Report to Boost Private Insurance

A recommendation that "comprehensive health services can be delivered to all the people in the United States on an insurable basis without continuing federal subsidies" will be given by the President's commission on the health needs of the nation in its report Dec. 18, Dr. Paul Magnuson, chairman, said last week.

The commission, it is understood, has taken the attitude of "pushing voluntary prepayment plans across the board." Dr. Magnuson said the commission recognizes that comprehensive health care must be made available to all and that it should be started by the people at the grass roots. "I have many times freely expressed myself as being opposed to setting up a great bureaucracy to control anything in this country," he said. "No such plan enters into the philosophy of this report."

The doctor said that as far as he has been able to determine, there has not been a word of politics or influence on the policies of the commission. "The job can be done by private plans, by the tremendous medical setups of industry, by doctors in the home town," he added. "Federal grants in aid can be used to stimulate the growth of private prepayment but without continuing subsidies. 'Help the people to help themselves' is the principle and the philosophy."

The commission plan will provide for health centers to be set up and run by local communities with the work being done by local doctors. Federal grants in aid might be used, as they now are, in the construction of hospitals under the Hill-Burton act to stimulate the growth of diagnostic centers and to build up health personnel and facilities.

## Interview German Visitor for "Voice" Broadcast

The Voice of America interviewed Dr. Gerd Mueller, president of Alliance Life of Stuttgart, Germany, at the New York offices of Institute of Life Insurance.

Dr. Mueller was asked to give his impressions of the life insurance business in America and comparisons to its

counterpart in Germany. Dr. Mueller spoke in his native tongue and recordings were made for broadcast over the Voice network in Germany.

Dr. Mueller arrived in the U. S. Nov. 14, with Dr. Herbert von Denffer, chief actuary and vice-president in charge of the life department of Munich Reinsurance Co. They visited life companies and associations in the east and middle west. They now have left for home.

The D'Emilio agency for Ohio State Life, Pittsburgh, has moved to new offices at 702 Frick building.

## Ponder Idea of Expanding N.A.I.C. Headquarters Work

An inconclusive meeting was held at New York Sunday afternoon during the commissioners meeting on plans for expanding the services of the headquarters office and means of financing it. Dickey of Oklahoma had made a report and this was discussed. One suggestion is that the headquarters prepare an index of N.A.I.C. proceedings from the beginning. Another is to

send out reports of zone meetings.

The assistant secretary might engage in non-technical research and that would require additional personnel. The consensus seemed to be that to have the office serve as a clearing house on agents whose licenses have been canceled would be full of dynamite. It might breed libel actions.

Mr. Dickey was directed to make studies on various bases for allocating contributions for support of the headquarters such as by premiums, premium taxes collected or what not. It was agreed that the assistant secretary should not engage in technical research.

Here's a new policy with new sales appeal for the Juvenile market.

- ✓ National Life's Estate Builder, issued to children aged 0 to 14\*, increases 5-fold in face amount at age 21. (Premium remains level to age 65)
- ✓ When age 21 is reached, no further evidence of insurability is required, regardless of health, occupation, war or aviation hazards.
- ✓ The Estate Builder builds reserves quickly. More cash is available for education or emergencies.
- ✓ The Estate Builder teaches a practical lesson in thrift—has more appeal to parents and grandparents.
- ✓ Today's high estate taxes encourage gifts to children and grandchildren—open more sales opportunities for the Estate Builder.
- ✓ The very substantial cash values which this policy builds up may be taken in cash or used to provide a life income at retirement.

\*New York ages 5 to 14

The Estate Builder is a brand new policy. And it's one of the most appealing contracts ever offered. We urge you to learn more about it. If you are a full-time agent of another life company, we solicit only surplus and special business not acceptable to your company.

## National Life of VERMONT

Insurance Company

Montpelier

FOUNDED IN 1850 . . . A MUTUAL COMPANY . . OWNED BY ITS POLICYHOLDERS

# Thanks a Million!!

To these members of Bankers Life's MILLIONAIRES CLUB, each of whom has personally accounted for more than one million of insurance-in-force, we extend our sincere congratulations.

Tony Bouska	J. E. Knoflicek	J. S. Marty
G. C. Steinhoff	Carl Lutz	Ivan Smith
H. D. Coleman	O. R. Frey	G. G. Norvell
E. P. Nispel	G. W. Arnold	Alf Weber
E. F. Goodrich	L. C. Krutz	F. A. Sullo
R. R. Burtner	T. H. Eckhoff	H. W. Krumwiede
B. E. Newell	V. A. Marshall	Chas. Chris
R. T. Walker	Jay Overholser	L. B. Leflar
R. E. Roush	G. F. Waugh	O. L. Followell
George Jenkins	R. E. Snygg	J. F. Smith
J. S. Spencer	Dale Christensen	Carlos Stebbins
S. B. Parker	H. E. Werner	R. C. Harriss
Dale Moore	D. Paul Fansler	F. G. Bentrup
Glen Stewart	Clark Bunn	A. L. McIlheran
Pat Muldoon	J. C. Martin	Clifford Knowler
O. L. Deardoff	H. W. Calvin	H. M. Koepke
J. H. Rice	C. S. Goodrich	K. L. Peterson
Paul Allen	C. M. Stewart	J. W. Conley
C. W. Thorell	W. L. Mosgrove	E. M. Hart
J. H. Beck	J. H. Brown	L. F. Loeffler
H. J. O'Connor	W. J. Boettger	

# Bankers Life of Nebraska

INSURANCE  
COMPANY

Assets over \$47,000,000 • Insurance in Force over \$215,000,000

HOW YOU DOING?

Your production's fine . . . but how's your progress? Even the man who has what it takes, has a hard time moving ahead in these days of high prices and high taxes. Western Life has a solution: higher than average commissions and sharper-than-average sales tools. Give these to a good fieldman and the problem is solved.

If you're looking for opportunity and want to raise your sights financially, then check with Western soon. You'll find a friendly, well-knit organization with an outstanding record of progress. There's a world of incentive for the men who can qualify. Write us today.



WESTERN LIFE

R. B. RICHARDSON, Pres.  
LEE CANNON, Agency V. P.

## Ralph Engelsman Finds More Realistic Agent Attitude Toward Estate Planning

NEW YORK—During his recent speaking tour, which took him to the west coast and back, Ralph G. Engelsman found that many general agents and managers have developed a more realistic attitude toward estate planning and advanced underwriting.

Briefly, this viewpoint is that estate planning and advanced underwriting, with their emphasis on larger but necessarily fewer sales, have an important place but are not a general production cure-all and agents should be encouraged to use them only when there is pretty definite evidence that they have access to the markets for which these elaborate techniques are appropriate.

Mr. Engelsman, former general agent here for Penn Mutual and now a sales consultant, said he had observed a tendency for preoccupation with estate planning to be superseded by a realization that 90% of Americans are persons of modest means who need protection that is carefully arranged and programmed but who most of all need someone to see them and sell them the protection. There are too many people who are not being reached by agents.

Mr. Engelsman emphasized that this is not to be taken as a criticism of advanced underwriting but said that one of the problems in bringing young college men into the business is to equip them to sell to their natural market. This market is mainly men of their own age, who are not logical candidates for elaborate estate analysis treatment.

The agent needs to grow in the business before he can expect prospects with complex problems to entrust them to him, Mr. Engelsman pointed out, observing that that's the way it's done in other businesses. No other line of business would send out a novice salesman to deal with important customers who need careful guidance in their com-

plicated problems.

Mr. Engelsman also feels that the life insurance business is missing many good potential recruits whom it could get if it recruited them for the business of life insurance, not just for selling. Some of these would wind up in sales work while others would land in other branches of the business for which they might be better suited.

Corporations in other fields, he noted, have company-wide recruiting programs. Some of the men, but by no means all, find their way into sales work. If a life company had an overall recruiting program it could do much toward making the best use of a lot of manpower it now loses.



R. G. ENGELESMAN

## Texas Junior Bar Seeks New Small Loan Law

Texas Junior Bar Assn. is campaigning for a new small loan law to guard borrowers against the dangers of "credit insurance." The drive was prompted in part by studies which have shown that loan sharks often require clients to take out A. & H. and life coverage to protect their "interest."

In a typical instance, the organization was told at its annual meeting in Dallas, a loan of \$25 was inflated to \$34.20, and because the borrower was delinquent in one payment, his debt was increased further. These loan companies are collecting 140% interest in some cases, it was stated, and often receive a commission of 85%, while the insurance company that writes the policy receives 15% of the premium.

## Long-Time Advertisers

The Saturday Evening Post recently advertised a list of companies advertising in the Post for 10 years or longer. Among the life companies were Prudential, 49 years; Metropolitan, 31 years; Penn Mutual, 25 years; Mutual of New York, 23 years; John Hancock, 20 years; New England Mutual, 20 years; National Life of Vermont, 19 years; Northwestern Mutual, 19 years; State Farm companies of Illinois, 14 years; New York Life, 13 years; Mutual Benefit, 12 years.



The first individual accident and sickness policy issued by Bankers Life of Iowa was presented to President E. M. McConney. Looking over the policy are, left to right, J. C. Archibald, underwriting vice-president in charge of home office A. & S.; Harry L. Graham, secretary, A. & S. department; Mr. McConney, and M. E. Lewis, director of agencies. The company set the stage for individual policies of this type in October, 1951, and has introduced three basic forms, including accident expense, accident disability, and accident and sickness.

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December 12, 1952

## LIFE INSURANCE EDITION

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## LEGISLATIVE LIMITATION

**Martin Suggests Life Industry Review  
Problem of Per-Life Limits on Group**

NEW YORK—A suggestion that the life insurance industry review the entire problem of per-life limits on group insurance to determine whether or not a legislative limitation is a proper solution was advanced by Commissioner Martin of Louisiana, president of the National Assn. of Insurance Commissioners, at the annual meeting here of the Life Insurance Assn. of American.

"The infinite number of groups eligible for group coverage present many variations in both economic and social conditions and require individual consideration," he said. "Because of the periodic variation between groups, and the variation in the general conditions, I wonder if a legislative limitation is the proper solution. I believe you should first satisfy yourself that the underlying philosophy which supports your request for a limitation is correct.

"Once you are satisfied of this, I urge you to make a determined effort to present to the commissioners at an early date your specific recommendations for the changes desired in this group definition, together with the underlying logical reasons which explain and justify such recommended changes.

"I should like to make this further suggestion with respect to group insurance. There are today literally billions of dollars invested in this form of insurance. Most of you are doing an excellent job of selling this coverage, but I wonder if the industry is at the same time as effectively selling the public on just what group insurance is.

"Are the people being adequately educated to the limitations as well as to the potentialities, of this form of coverage?"

Mr. Martin said it goes without saying that individual life insurance is much more desirable as a form of coverage, in that it is not subject to vagaries of changing employment and other transitory acts. Moreover, ordinary life encourages thrift in the policyholder, and gives the insured permanent protection, as compared with the temporary security offered by group coverage.

"In short, while not seeking to minimize the undoubted benefits that group coverage does hold, I think we are agreed that its function is supplementary, rather than self-sufficient," he said. "The insuring public should be made cognizant of this. I recommend that you emphasize this in the educational work that you do through your individual companies and the association."

In connection with the group life definition, Mr. Martin said this is an attempt at uniformity and it is a natural desire on the part of the insurance regulatory officials and the company executives to seek uniformity wherever possible, especially with respect to the laws, regulations, and procedures. This makes for more efficient and economical operations throughout the industry.

"But we must not permit the quest for uniformity to lead us into regimentation," he said. "We must not pursue uniformity to the length that it would stifle individual initiative and innovation. The insurance industry and the laws and regulations under which it works must remain flexible."

Mr. Martin urged life companies to make a determined effort at experimentation in new fields of coverage and new policy forms, in order to curb the expansion of government into this area of business.

"Such encroachment is not only detrimental to private insurance, but in

some cases actually operates to exclude it," he said. "The best insurance that you could possibly have against this trend is to provide new forms of coverage that will meet the ever-increasing needs of a changing economy. Whenever you find that you can enlarge your services, consistent with sound underwriting purposes, make every effort to do it."

Citing the social security program and so-called state funds as examples of government operation of phases of the insurance business, Mr. Martin said that, while the recent national election gives reason to hope that government encroachment might be curbed, "Let me suggest that the pendulum will neither swing in the opposite direction nor even remain static, without appropriate action on your part."

**Van Beynum Retires  
from Travelers "Ad"  
Post After 32 Years**

C. W. Van Beynum, manager of the public information and advertising department of Travelers, will retire at the end of December after more than 32 years with that company. He joined Travelers in the publicity department in 1920. He was named assistant manager in 1923 and manager in 1926.

He inaugurated the extensive national advertising program of the company in 1931 and has also directed its public relations, publicity and sales aids programs.

Early in his career, Mr. Van Beynum was a newspaper man at Janesville, Wis., and spent three years in the fire insurance business as an agent and inspector in Wisconsin.

Immediately before going with Travelers, he spent more than nine years with THE NATIONAL UNDERWRITER at Chicago in both the editorial and business departments.

He has been active in advertising, publicity and public relations committee work with Life Insurance Advertisers Assn., Assn. of Casualty & Surety Companies, National Board of Fire Underwriters and Insurance Advertising Conference. He was recently elected to the lower house of the Connecticut legislature.

For several years, Mr. Van Beynum and his wife have given considerable attention to the raising and exhibiting of Welsh Corgi dogs. He plans to devote even more time to this hobby.



C. W. Van Beynum

**Franklin Goes Over President's Drive Goal**

To honor the 56th birthday of Chas. E. Becker, president of Franklin Life, the sales organization exceeded the goal of \$56 million of new business during a six weeks sales drive ending Nov. 30, thereby setting an all-time record. Among the individual records was the \$810,000 in new sales registered by Leo J. Fox, Fond du Lac, Wis.

As is traditional, members of the home office executive staff greeted Mr. Becker with a huge birthday cake.

Shown from left, seated: B. G. Harrison, vice-president-treasurer; Louis F. Gillespie, vice-president and general counsel; Chas. E. Becker, presi-

dent; Chas. Becker, Jr., assistant to the president; R. A. Frederick, administrative vice-president. Standing, left to right: Harry Gibson, purchasing agent; F. J. O'Brien, vice-president and director of sales promotion; Lillian Gilster, assistant director of sales promotion; Wesley Hardin, agency supervisor; Dr. William F. O'Neil, vice-president and medical director; Ray Bailey, agency comptroller; Louis Striebeck, comptroller; James Abels, agency statistician; Henry Lutz, vice-president, and Floyd Short, vice-president.

mestic business in 1952.

New paid-for production has shown progressively larger increases over last year's figures each month since May.

**E. P. Richardson to End  
Mutual Benefit Career,  
Robbins is Successor**

Edgar Richardson will retire as general agent of Mutual Benefit Life at Lexington, Ky., after 41 years of service. He will be succeeded by Earl G. Robbins. The change will take place May 1, 1953.

Mr. Richardson began his Mutual Benefit career in 1912 in Kentucky. He later went to Mexico, Mo., organizing that territory as a new general agency. He returned to Kentucky in 1927 as general agent at Lexington. Under Richardson's leadership, the Lexington agency won many company honors and is the only one to have won the President's Trophy (for best all-round results) and the New Organization Award (for outstanding performance of new men) in one year.

Mr. Robbins entered life insurance at Lexington with Mutual Benefit Life. Last year he was a member of the Million Dollar Round Table. Originally in the educational field, he taught courses in agriculture and later became director of veterans training in Kentucky for the veterans administration.



Edgar Richardson

**U. S. Life Progress Told at  
New York Regional Meeting**

New policy plans, advance underwriting information, sales promotion helps and a report of company progress in the past six months highlighted the regional managers' meeting held at New York by United States Life. A new sales plan combining monthly disability income with mortgage insurance, and more liberal non-medical and military coverages were introduced and reports were given on additional plans under development.

Raymond H. Belknap, president, said that during the past six months U. S. Life has appointed 23 new agencies and entered six additional states: Kansas, Oregon, Pennsylvania, Washington, and Minnesota. These new agencies, all appointed since the company's association with the Continental companies last May, have almost doubled the number of its sales outlets in this country. He estimated that the new agencies will produce new business in 1953 equal to approximately one-half of the company's total do-

**Additional Dividend Action Announced by Companies**

Funds Left With Company						Funds Left With Company					
Company	Current Policies	Old Policies	Non-withdrawable %	Withdrawable %	Accum. Div'ds.	Company	Current Policies	Old Policies	Non-withdrawable %	Withdrawable %	Accum. Div'ds.
Bankers Life, Ia.	Same as '52	Same as '52	2.85	2.85	3	John Hancock	Same as '52	Same as '52	3	3	3
Boston Mutual	"	"	2.5	2	2	Manufacturers	Same as '52(e)	Same as '52(e)	3	3	3
Business Men's	"	"	2.5	2.5	2.5	Mutual Life, Can.	Same as '52	3.5	3.5	3.5	3.5
California-Western	"	"	2	2	3	New England Mutual	"	Same as '52	3	3	3
Columbus Mutual	"	"	3	3	3	Northwestern Mutual	Increased	Increased	2.75	2.75	2.75
Confederation, Can.	Approx. 10% Inc.	Approx. 10% Inc.	3	3	3.5	Ohio State	Approx. 10% Inc.(f)	Slight Inc.(f)	3	2.5	3
Connecticut Genl.	Same as '52	Same as '52(d)	3	3	3	Pan-American	Same as '52	3	3	3	3
Farm Bureau, Mo.	"	Same as '52	2.5	2.5	2.5	Provident Mutual	"	3	3	3	3
Great Southern	"	Approx. 18%	3	2	3	Sunset Life	"	3	2.5	2.5	3
Great-West	"	"	3.25	3.25	3.25	Teachers Ins. & Ann.	"	"	2.75	2	2
Jefferson National	"	Same as '52	2.5	2	2.5	Western Life, Mont.	"	"	3	3	3

(d) Except that in 1953 payment of dividends on fully paid policies issued prior to 1937 will be resumed. (e) Except dividends for policies issued after age 55 are increased. (f) On some plans.

## EDITORIAL COMMENT

### Is This How It Will Be in 1975?

Setting our inhibitors at zero and our imaginations at full speed ahead, let's project ourselves to 1975 and try to see how electronic computers, controls and other devices will have changed the life insurance business.

John Q. Agent, III, member of a family long known in the life insurance business, has just convinced his prospect, Mr. Dulles Ditchwater, that he should buy a \$25,000 policy in Mechanized Mutual Life.

"I'm glad you're buying this policy," Mr. Agent is saying to his prospect. "But I'm not surprised, because the odds were better than 20 to 1 that you'd buy. Our home office Need-O-Graph analyzed the vast mass of data we had collected about you. It indicated that you needed this insurance and were the type of man who would buy it if shown the need. Now if we can just record the necessary facts for our underwriting department, we can get this insurance in force right away."

"Doesn't there have to be a medical examination?" asks Mr. Ditchwater.

"I guess it's been quite a while since you bought any life insurance," remarks the agent, with a smile. "We don't call in a doctor unless a case is a lot bigger than this one. You'll see how we've improved things. Now, just let me fasten this strap around your chest, put this blood-pressure and pulse-counter gadget on your arm, and tape on these electrical leads."

"From what I've read, this stuff looks like a combination electrocardiograph and lie-detector," the buyer observes.

Mr. Agent looks pained. "Let's not call it a lie-detector," he suggests. "We know it as the Electronic Substantiator. It will scientifically substantiate what you say on the application. It would be indecent to call it a lie-detector, for we are confident there will be no lies to detect. But of course if there should be any . . ."

"Well, where's the application?" Mr. Ditchwater asks, pulling out his pen.

"Say, you really are out of touch with life insurance developments," Mr. Agent replies in some amazement. "We haven't used those things in years. After all, the application blank was just to assemble the information about the applicant so the underwriting department could decide if he was a safe risk. With machine underwriting, there's an easier way."

From a slightly over-sized briefcase, Mr. Agent took what looked like the keyboard of a typewriter. From it ran wires to the briefcase, to which the various devices hung on the applicant

were also connected.

"With this I punch in the data about you," Mr. Agent explains. "On the same tape your reactions are recorded by the Electronic Substantiator. When I ask you if you plan to take up parachute jumping, sports-cars racing, or if you drink too much or have any other habits we regard as deplorable, the substantiator will detect any—uh—inaccuracy in your answers.

"When I get back to the agency we will run the tape through the Automatic Underwriter. It will analyze the data and if you are a standard risk it will automatically write up your policy, while at the same time recording all the necessary data in its electronic memory, where it will always be instantly available if needed at any time in the future. It will even record my commission credit and at the proper time automatically transmit it to the automatic check-writing machine, and the check will be dropped into my box by an electronically controlled sorter."

"What if I don't qualify," asks Mr. Ditchwater.

"If you are rejected, the underwriting machine will have a notice put in my box. If you are substandard, the machine will write up the policy with the proper rating and indicate why you are lucky to get any insurance at all."

"I notice that all this is handled in your agency," Mr. Ditchwater remarks. "Doesn't it have to go to the home office for a decision?"

"No. In a big agency like ours we have enough business to make it worth while to have our own electronic underwriter. A smaller agency would send its data-tapes to the nearest large agency or the home office. The machine does its job almost instantaneously so the time in transit is the only delay. And for a rush job, an agency can run the tape through a little gadget that transmits the information by wire to the nearest office having an automatic underwriter. Duplicate tapes are recorded to permit the home office to keep its records, which of course are in the same type of electronic memory units."

"Don't you ever get some decisions that the machine can't take care of?" asks Mr. Ditchwater. "What do you do about those?"

"Yes, it's true that the machines can't really think—they just make decisions according to the instructions we've given them," answers Mr. Agent. "We take care of those border-line cases by setting the machine so as to be as lib-

eral as we think any human underwriter would be. That way we take a few more sour cases than if we had human underwriters, but the increase in mortality is so trifling that it's nothing compared to what it would cost to hire underwriters to decide these special cases."

"What about the investment department?" asks the buyer. "I don't see how you could make that automatic."

"Actually, that was even easier than mechanizing the underwriting department," the agent replies. "Investing, to a much greater degree than underwriting, depends on a very precise appraisal of a great many bits of information, all of which can be assembled and evaluated if anybody has the time to do it. Because of its incredible speed in doing these routine comparison and checking jobs, the machine can decide not only whether we should invest in a certain bond issue or mortgage, for example, but its decisions can be adjusted so they will be liberal or tough, reflecting our need or surfeit in that particular category. Of course, the machine is never going to make a brilliant speculative decision, but that isn't the sort of thing we need in life insurance, anyway."

"Another thing, you probably don't recall what a hit-and-miss proposition it used to be for life insurance companies to select the men they would hire as agents and the even worse trouble they had in deciding which ones to fire. Well, we select agents with the help of the Electronic Substantiator, just the

same as we select applicants for insurance, and then by a few adjustments on the Automatic Underwriter we can tell within a fraction of 1% whether the agent will be successful or not. It can also tell when an unsuccessful agent should be terminated. Of course, we've been helped tremendously by machine analysis of the great variety of factors that influence an agent's suitability for the business, but even more important is the fact that the automatic underwriter has no emotions. It weighs all the facts, as facts, and doesn't get them mixed up with whether the manager desperately needs a couple of new agents or is addicted to wishful thinking."

"Incidentally, I understand that the Interplanetary Machines Corporation is working on a new portable electronic substantiator and underwriter that will enable me to sit right here in your office and grind out your policy as quick as I can punch in the data. But I think the present system is plenty good enough. It's soundly established, fool-proof and accurate. I think I'd be suspicious of those new-fangled contraptions."

Fantastic as all this may sound, we have an uneasy suspicion that maybe it really isn't anywhere near as fantastic as what may eventually materialize. But there's at least this reassuring thought: Even with imagination at full throttle, we can't conceive of any electronic or mechanical device that would make the agent's services any less essential than they are today.

## OBSERVATIONS

### Taps for "Reveille" Unless . . .

The Life Insurance Field Force of America, which for some time has been affiliated with the CIO, recently relinquished its efforts to organize the ordinary life insurance agents into a union and turned the job over entirely to the CIO. One of the results will apparently be the discontinuance of "Life Insurance Reveille," edited by Mrs. Nola Patterson of Atlanta.

Aside from L.I.F.F.A. members and sympathizers, "Reveille" has had quite a few readers who took the paper to see what was going on in this highly articulate group and to savor Mrs. Patterson's peppery prose. In the latest issue of "Reveille" Mrs. Patterson announced it would be the last, unless voluntary financial support is forthcoming to keep the publication going.

### Gives Advice on Inflation

M. S. Rukeyser, financial columnist for International News Service, gave some advice that could well be heeded by the prospect who hesitates to buy life insurance because he is afraid of further inflation. Asked on a recent

radio program whether life insurance is desirable in times of inflation, Mr. Rukeyser said:

"There's no other way to bring an estate for a family into fruition by a single stroke of the pen. Theorists may talk of better hedges against inflation. But even if the breadwinner knew all about them, no one could assure him that he would avoid being knocked down and killed by an automobile before he could patiently build up an inflation-resisting estate through the slow process of saving and investing."

### Dr. Nadler Sees Bright Future

While there are bound to be "swings" in the national economy, the future looks bright, according to Dr. Marcus Nadler, consulting economist of the Hanover Bank of New York City.

Dr. Nadler states in his monthly report that any future decline will probably be short-lived unless it should be aggravated by "unwarranted and short-sighted pessimism." He strongly advised against running to Washington for help in the event of a recession.

"The American economy is strong enough to stand on its two feet," he

### NATIONAL UNDERWRITER

LIFE INSURANCE EDITION

PUBLICATION OFFICE: 175 W. Jackson Blvd., Chicago 4, Ill.  
CIRCULATION OFFICE: 420 E. Fourth St., Cincinnati 2, Ohio

ATLANTA 8, GA.—432 Hurt Bldg., Tel. Walnut 9301. Carl E. Weatherly, Jr., Southeastern Manager.

BOSTON 11, MASS.—210 Lincoln St., Tel. Liberty 2-4204. Wm. A. Scanlon, Vice-Pres.

CHICAGO 4, ILL.—175 W. Jackson Blvd., Tel. Wabash 2-2704. O. E. Schwartz, Chicago Mgr. A. J. Wheeler, Resident Manager.

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said. "If left alone, but assisted by wise credit policies, it will soon overcome any difficulties that may arise in the future and proceed to higher levels of business activity and a higher general standard of living."

The financial position of industry is one of the strongest elements in the economic picture, Dr. Nadler pointed out, saying that the substantial increase in corporate indebtedness in recent years has been accompanied by a sharp increase in working capital. The latter rose from \$24½ billion at the end of 1939 to \$85.7 billion as of June 30, 1952.

"Even when the reduction of the purchasing power of the dollar is taken into account this is a very sizable gain," he observed.

## PERSONALS

**Herbert O. Fishback**, vice-president of Northern Life of Seattle, is now at his home after being confined to the hospital for many weeks recovering from the effects of a bad fall during the convention of Washington State Assn. of Insurance Agents. He is gaining steadily in strength and is given assurance by his doctors that he will be as good as ever eventually.

**Edwin G. Shelp** and **William E. Slimp**, partners in the Shelp & Slimp



E. G. Shelp



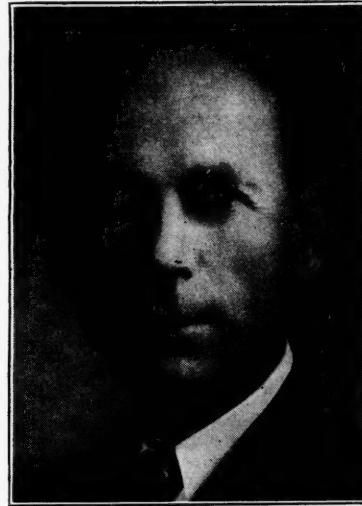
W. E. Slimp

agency, have been appointed general agents for Pan-American Life in St. Louis and vicinity.

**W. Percy Mullen**, 64, is marking his 50th year with Great-West Life. He joined the company at the age of 14 and is the first man in Great-West's history to exceed 50 years' service. In 1910 Mr. Mullen was appointed cashier at the head office and the following year was transferred to Vancouver. In

1915 he went to Toronto as cashier, where he is presently serving. Mr. Mullen was named branch secretary in 1932, which put him in charge of the company's five Toronto branches.

**U. A. Gentry**, who will succeed J. Herbert Graves as Arkansas commis-



U. A. GENTRY

sioner with the change of administration in January, formerly held that post from 1933 to 1937.

**C. J. McCann**, actuary and chief examiner of the Florida department, is making a strong recovery at Tallahassee Memorial hospital from a heart attack some two weeks ago.

**Blair R. Studebaker**, manager of Prudential at Wilkinsburg, Pa., was elected president of his borough's school board.

**Paul F. Grove, Jr.**, was honored at Washington, D. C., at a luncheon marking his 25th anniversary as an agent with Home Life of New York.

**Leo K. Volk**, general agent of Bankers National at Detroit, was knocked down by an automobile in New York City while on his way to the company's silver anniversary dinner there. He was seriously injured but is convalescing satisfactorily.

**James F. Truman**, business insurance specialist, was honored by associates of the Lawrence agency of Massachusetts Mutual Life at Chicago as a supervisor.

on his 25th anniversary with the company. He was presented a service pin at a dinner at the Union League Club.

**Philip K. Robinson**, vice-president of Northwestern Mutual Life, has been selected to receive the civic service award of the Milwaukee Eagles Club "for service to the community," particularly for his contribution to the local chapter and national body of American National Red Cross. He is a member of the national board of governors at present.

**A. J. Jensen**, North Dakota commissioner, was called away from the N.A.I.C. meeting at New York Tuesday day by the death of his sister-in-law, Mrs. H. K. Jensen, at Minneapolis.

**Marion A. Bills**, assistant secretary of Aetna Life, is the author of an article in December Office Executive, "How Is Your Interviewing Skill?"

**Gerard B. Tracy**, Prudential manager in New York City, recently appeared on the "Mike & Buff" television show.

### Lamar Denies Sale Rumor

The management of Lamar Life of Jackson, Miss., was quoted in prominently headlined stories in the newspapers there as denying reports that a deal is on to sell Lamar Life to C. W. Murchison of Dallas.

The latter owns Atlantic Life and at one time owned Reserve Loan Life.

President P. K. Lutken in a message to the field force confirmed that an offer of \$102.50 per share had been made for the capital stock by Mr. Murchison. The offer, however, expired with no action having been taken.

### Lloyd Takes Cleveland Post

**Albert D. Lloyd** has been named district manager at Cleveland for Midwestern United Life, which began operations in Ohio last August. He formerly was general agent at Evansville, Ind.

### Dillman New General Agent

**Carl L. Dillman, Jr.** has been appointed general agent for Philadelphia Life in Chester County, Pa. He also will continue his activities in greater Philadelphia.

A navy veteran, Mr. Dillman started his life insurance career at Philadelphia with Home Life of New York. In 1951 he went with Berkshire Life there

## DEATHS

**BERT A. HEDGES**, Kansas manager of Business Men's Assurance with headquarters at Wichita, one of the most prominent participants in the affairs of agents' organizations in the life and A. & H. field, died Dec. 8 at Wichita Wesley hospital after an illness of several weeks. Mr. Hedges' health for the past two or three years has been poor, but he continued without

letup to be one of the spark plugs in agency affairs, last June being elected a vice-president of International Assn. of A. & H. Underwriters.

Mr. Hedges joined the home office of B.M.A. as director of field service and sales training in 1929. Three years later he moved to Wichita and became state manager for Kansas. He has always had an outstanding record as a personal producer and as a recruiter and trainer of salesmen. His agency has been consistently one of the leading offices of B.M.A. He entered insurance as an agent for Equitable Life of Iowa. His brother, **Herbert A. Hedges**, Equitable general agent at Kansas City, is former president of N.A.L.U.

At the annual convention of International Assn. of A. & H. Underwriters last June, Mr. Hedges was presented the Harold R. Gordon Memorial Award as "Man of the Year" in A. & H. insurance. He was also elected a vice-president of the association and a member of the executive board. With N.A.L.U., Mr. Hedges was chairman of the general agents and managers committee, and chairman of the sub-committee on A. & H. education. He formed and was the first president of the Kansas Assn. of A. & H. Underwriters. He made it a policy that every member of his agency joined the field organizations.

Mr. Hedges was a leader in sales training. He was the author of two books on insurance selling and a number of articles on this subject. He was chairman of the disability sales course of the A. & H. association and was largely responsible for preparing the textbooks, the outlines for instructors

(CONTINUED ON PAGE 17)

# CENTRAL STANDARD LIFE

Founded 1905 — INSURANCE COMPANY

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All forms of Life - Accident & Health

ALFRED MACARTHUR  
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# FIDELITY

A WELL-BALANCED COMPANY

*Balance...*  
essential in architecture  
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**FIDELITY MUTUAL  
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THE PARKWAY AT FAIRMOUNT AVENUE  
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**GUARDIAN**  
offers AN UNUSUALLY WIDE VARIETY

OF ATTRACTIVE PERSONAL PROTECTION PLANS,

INCLUDING—• Two low cost Preferred Risk policies.

- Very low premium Term contracts, running for 5, 10, 15 and 20 years, and to age 70.
- A \$10 per \$1,000 disability income provision.
- Participating accident and health.

General insurance brokers and surplus writers are cordially invited to call the nearest Guardian manager for full details, or write to the home office.



LIFE - ACCIDENT AND HEALTH  
**The GUARDIAN**  
Life Insurance Company  
OF AMERICA

FIFTY UNION SQUARE NEW YORK 3, N. Y.

## COMPANY MEN

### Kroeg Jefferson National Underwriting Manager

A. Alexander Kroeg has been appointed manager of the underwriting and service department of Jefferson National. He entered life insurance in 1934 with Liberty Life, and served in various home office positions. His most recent position, before joining Jefferson National, was as chief underwriter for Coastal States Life.



A. Alexander Kroeg

Mr. Kroeg is a veteran of five years in the army and a graduate of the College of Charleston, S. C. A fellow of L.O.M.A.I., he also holds the certificate of proficiency awarded by Institute of Home Office Underwriters.

### Hamilton Resigns Post as Paul Revere Canada Chief

William E. Hamilton has resigned as vice-president and general manager for Canada of Paul Revere Life. There is no immediate announcement of his future plans. Until a successor is named, John Goad, Canadian superintendent of agencies, will supervise Dominion activities.

Mr. Hamilton had headed Paul Revere operations in Canada since its entry there two years ago. Previously he had been active in life insurance sales work for 6 years, much of that time operating a business established by his father with Sun Life of Canada more than 50 years ago.

### Alexander, Taylor Advanced by Sun Life of Canada

Sun Life of Canada has advanced E. R. Alexander, treasurer, to vice-president and treasurer, and R. D. Taylor, general counsel, to vice-president and general counsel.

Mr. Alexander joined the investment department in 1925. Mr. Taylor has been with the company since 1923.

### Federal L. & C. Promotions

Federal Life & Casualty has promoted J. A. Cairns to vice-president in charge of claims and A. F. Reinhard to secretary.

Mr. Cairns has been with the company the past year as superintendent of the claim department. He is a fellow of Life Office Management Assn.

Mr. Reinhard joined the company 10 years ago as auditor. The past two years he has served as manager of the investment department, and will continue in that post.

### To Mutual Life Home Office

Howard E. Barnhill and Ray H. Larrabee have been promoted to training assistants at the home office staff of Mutual Life.

In their new post, they will assist in the training and development of new field underwriters under the company's training program.

Mr. Barnhill joined Mutual Life as an agent at Cleveland in 1946, advancing to assistant manager in 1948. He is a navy veteran of World War II and was recalled to active duty in 1950, serving until May of this year when he resumed his life insurance career.

Before joining the company as an agent in 1948, Mr. Larrabee was a

teacher and athletic coach in the New Jersey school system. An army veteran, he has been an assistant manager at Newark since 1950.

### Hull Gets Medical Post with Bankers of Iowa

Dr. Gene I. Hull has joined Bankers of Iowa as assistant medical director. A graduate of Princeton University and Tufts medical college, Dr. Hull interned at Broadlawns hospital, Des Moines.

Dr. Hull served four years in the medical corps as part of his training, and recently returned from a tour of duty at Offutt Air Force Base, Omaha.

### Smith Assistant Actuary

F. Eugene Smith has been appointed assistant actuary in charge of group insurance for North American Life of Canada. He is a graduate of McMaster University and a fellow of Society of Actuaries. He took post-graduate work at University of Toronto. He joined North American in 1946 and in 1950 was appointed manager of the group department. Mr. Smith served with R. A. F. in the last war.

### Enlarge Gen'l American Ad Staff

Mrs. Betty Humberg has been named editorial assistant in the advertising and publicity department of General American Life.

A graduate of the Missouri University school of journalism, she worked for two years on the Dallas Times-Herald and for three years was with Edison Brothers of St. Louis as assistant editor of that company's publication.

## COMPANIES

### Mid-States Life Plans Credit Life Expansion

Mid-States Life of Orlando, Fla., that got in operation last July as a credit life insurance underwriting facility, is making plans to expand. It is owned by Mid-States Ins. Co. of Chicago which in turn is a subsidiary of General Finance Co. It has been licensed in Florida, Georgia and Texas and now intends to apply for admission to Illinois.

It started with \$100,000 capital and \$100,000 net surplus and has about \$20 million insurance in force. It has not entered the credit A. & H. field. Ray Titus is president.

### Has N. C. Company Switch

Girardian Ins. Co. of Dallas has been licensed in North Carolina and will replace Girard Life, which plans to withdraw from the state April 1 and confine its activities to Texas.

The recently formed Girardian is headed by Charles W. Windham, who also is president of Guardian Underwriters Ins. Co. and Girard Life, both of Dallas.

### Great-West's Best November

Last month was the best November of any year for Great-West Life. The month's production of \$37,500,000 brought the year-to-date total to \$302,500,000, an increase of \$31,643,000 over the same period last year. The increase was reflected in both American and Canadian business.

The Chicago office noted its best November on record and led the field organization for the 11th consecutive month with more than \$2 1/4 million. Winnipeg, also recording its best month, placed second with \$2,200,000.

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California was third with \$1,354,000, followed by Montreal Central, Vancouver and Minneapolis.

Leading agent of the month was M. Galnick of Chicago.

### Sun Life, Canada, Sets President's Month Record

The largest volume of business of any President's Month in the history of Sun Life of Canada was written in November. Honoring President George W. Bourke, the 10,781 applications representing business of more than \$45 million and new group exceeding \$27 million.

The Vancouver branch secured the greatest number of applications—393—while H. H. Hyman, Regina, and James I. Taylor, Philadelphia, were individual leaders.

### Fidelity Mutual Begins 75th Year with \$3/4 Billion in Force

On the first day of its 75th anniversary year, Fidelity Mutual Life rounded out \$750 million of insurance in force.

### Hear Manza at Newark

Louis A. Manza, division supervisor in Metropolitan Life's field training division, addressed a meeting of Newark C.L.U. chapter. William V. Winslow, Jr., superintendent of agencies of Prudential, presented a certificate of appreciation for her services as president in 1951-1952 to Miss Mildred Stone, director of policyowners services of Mutual Benefit Life.

Mr. Manza treated in a broad way the value to the individual of life insurance as a means of meeting the liability incurred by federal estate taxes. He emphasized the importance of a thorough examination of the federal estate tax form 706 in planning to meet such taxes.

### Writes \$8 Million 1st Year

American Guarantee Life, Portland, Ore., will close its first year of operation Dec. 19 with more than \$8 million life insurance written and more than 3,000 A. & H. and hospital policies in force. The company expects to add \$250,000 to its capital and surplus, enter additional states and enlarge its field force in the coming year.

### \$1 1/2 Billion in Force

Provident Mutual now has more than \$1 1/2 billion of insurance in force.

### Retains Crown Life Connection

Robert L. Rhodes, who becomes secretary-treasurer of the newly formed Hutson-Rhodes, Inc., agency at Jacksonville, Fla., retains his position, however, as general agent of Crown Life of Canada. He was at one time general agent at Jacksonville for Mutual Benefit Life. President of the agency is Eyare M. Hutson.

Tennessee Valley Life, Jackson, Tenn., is arranging to increase its capital from \$146,118 to \$200,000 by selling 53,000 shares at \$3.50 a share to present stockholders on the basis of one share for each three shares now owned. Par value is \$1.

### Oklahoma Assistant Resigns

Ralph W. Russell, first assistant insurance commissioner of Oklahoma since 1944, has resigned to become associated with Empire Life of Oklahoma City and to engage in law practice. His duties included supervision of examinations, legislative matters, admission of out-of-state companies and special problems affecting insurance regulation and supervision.

## MANAGERS

### Olson Takes Over as Chief of Boston Managers' Group

Laurence E. Olson, manager of the Prudential ordinary agency at Boston, was elected president of General Agents & Life Managers Assn. of Boston at the annual meeting.

William R. Robertson, Massachusetts Mutual, is the new vice-president, Winslow S. Cobb, Jr., Connecticut Mutual, was named treasurer, and James M. Voss, Union Mutual, secretary.

### To Host Managers at N.Y.C.

The annual Christmas party and dinner of New York City Life Supervisors Assn. will take place Dec. 16 at the Drug & Chemical club. Members will be hosts to their general agents and managers.

### Schwemmm Raises Sights

Earl M. Schwemmm, manager for Great-West Life at Chicago spoke on "Raising the Sights of Our Men" at the breakfast meeting of Columbia (S. C.) managers that preceded the Insurance Day seminar, sponsored there by the state association of life underwriters and University of South Carolina.

**Austin, Tex., cashiers** heard James Kennedy of the F.B.I. describe the qualifications of F.B.I. agents and their work.

Charles B. McCaffrey, assistant director of agencies and manager of advanced underwriting of Northwestern Mutual Life, discussed the use of life insurance in estate planning at the December meeting of Milwaukee C.L.U. chapter.

B. J. Griffith, communications chief of California civil defense, and Clyde R. McFarland, civil defense representative of Pacific Telephone & Telegraph Co., demonstrated the use of telephone equipment in defense and air raid warning equipment at a meeting of Life Insurance Managers Assn. of Los Angeles.

Renaldo A. Baggott, National Life of Vermont, addressed Seattle Life Managers Assn. on "Managing an Agency."

### Hiller Speaks at Omaha

Walter N. Hiller, Penn Mutual Life and immediate past chairman of the Million Dollar Round Table, told the members of the Nebraska Round Table at Omaha "What Makes a Million Dollar Round Table Member Click." The Nebraska group is composed of agents with production of a quarter-million dollars and up. Among the enthusiastic crowd there were five MDRT members who also heard Mr. Hiller present his ideas on how to make more million dollar producers.

### Henneman Named Supervisor

Pacific Mutual Life has appointed Frank J. Henneman supervisor for the Barranger general agency at Baltimore. Mr. Henneman joined the company last year. He was formerly assistant manager for Metropolitan.

Charles S. Chaney has been appointed agency manager in Arizona for Woodmen Accident. He has been in the California territory.

## IT'S NOT WHAT YOU DO

### It's The Way That You Do It

HOW TRUE THAT IS OF SELLING A MAN MORE LIFE INSURANCE!

MENTION NEW INSURANCE AND HE BALKS. DISCUSS HIS OLD POLICIES AND HE TALKS.

HENCE THE OCCIDENTAL WAY—SELLING NEW COVERAGE BY ADDING RIDERS TO HIS OLD OCCIDENTAL POLICIES.

DOES HE WANT A CLEAN-UP FUND, INCOME DISABILITY, MORTGAGE PROTECTION, FAMILY INCOME? NO NEED TO SELL HIM A NEW POLICY. LET HIM ADD ONE OR ALL OF THESE BENEFITS TO HIS OLD POLICY—PLUS MANY OTHER ATTRACTIVE FEATURES SOLD AS RIDERS ON HIS ORIGINAL "CHASSIS" CONTRACT.

IT'S FUNNY HOW MUCH EASIER THIS MAKES IT TO BUY. ASK ANY OCCIDENTAL AGENT. IT'S PAINLESS SELLING—AND PROFITABLE!

"A Star in the West..."



Occidental  
Life

INSURANCE COMPANY OF CALIFORNIA

HOME OFFICE • LOS ANGELES  
W. B. STANNARD, Vice President

"WE PAY AGENTS LIFETIME RENEWALS... THEY LAST AS LONG AS YOU DO!"

## 50th Anniversary Year



### Pertinent Statistics

Insurance In Force .....	Over \$607,000,000
Assets .....	Over \$144,000,000
Benefits Paid Since Organization ..	Over \$ 63,000,000
Certificate holders .....	Over 423,000

## AID ASSOCIATION FOR LUTHERANS

Legal Reserve Fraternal Life Insurance

HOME OFFICE:

APPLETON, WISCONSIN

## Sommer New Continental Casualty Vice-president

Armand Sommer, executive assistant vice-president of Continental Casualty, has been elected a vice-president.

Mr. Sommer, who has been in charge of five of the nine divisions of Continental's A. & H. department, now will have his executive responsibility extended to all of the company's A. & H. operations.

Louis C. Morrell, 2nd vice-president and a director, is chief officer of the A. & H. department; he will now be assisted by Mr. Sommer as vice-president and Robert J. Glasgow, executive assistant vice-president.

Mr. Sommer, in the insurance business for almost three decades, joined Continental Casualty in 1933. The following year he was named assistant to the vice-president in charge of A. & H. underwriting.

Appointed acting manager of the intermediate A. & H. division in 1941, Mr. Sommer later was placed in full charge of that division. Last year he assumed direction of the wholesale division as well. He was made executive assistant vice-president early this year. Last August he also was elected

vice-president of United States Life, the company in which Continental Casualty purchased the controlling stock interest this year.

## Pru Minn. Deal Still Open

MINNEAPOLIS — Judge Anderson has taken under advisement the proposal of the Minneapolis park board to sell 31½ acres of park property to the Prudential for a regional headquarters building. The park board has approved the sale but objections have been made by some citizens and the deal must be approved by the court before it is consummated. Judge Anderson expects to decide the case within a week.

## Revises Juvenile Policies

All policies issued by Connecticut General outside New York state to children one year old or older will be on a full coverage basis, with premiums slightly higher. Policies issued at age 0 will provide a reduced death benefit during the first policy year equal to 25% of the face amount. Death benefits issued by the company on juvenile insurance formerly were graded to age 5.

## CHANGES

### Laugharn Opens New Occidental Life Agency

A new general agent's contract with Occidental Life of California has been signed by H. F. Laugharn, Jr., formerly a partner in Occidental's Dickson, Blevens & Laugharn agency at Los Angeles.

Mr. Laugharn joined Occidental in 1947, serving as agency production manager in the Beecher J. Dickson general agency at Los Angeles until 1949 when he became a partner. In 1950, Buryl Blevens, who has been with Occidental since 1932, combined his general agency with Messrs. Dickson and Laugharn.

Mr. Laugharn's agency is located at 205 South Beverly Drive, Beverly Hills.

### FARISH TO CHATTANOOGA

Prudential has appointed George W. Farish head of the Chattanooga district office at 11 West Eighth Street.

Mr. Farish has filled sales and supervisory posts for Prudential in the south for 15 years and has been in charge of an office at Newport News, Va., since 1948. He joined the company as an agent in 1937.

### Heads New Pru. Cal. Agency

James G. Simvoulakis has been appointed assistant manager in charge of a new agency of Prudential at Modesto, Calif.

An air force veteran, Mr. Simvoulakis joined Equitable Society and remained with that organization until he opened his own agency in 1950. He is president of Stanislaus County Life Underwriters Assn.

### Sides Heads Lubbock Office

King J. Sides has been named to head Occidental Life of California's first general agency at Lubbock, Tex.

Mr. Sides taught school in West Texas for 22 years, including six years as high school principal in El Paso. In 1948 he entered life insurance as an agent for Aetna Life at Lubbock.

### J. W. Schmidt Is Promoted

Jack W. Schmidt, with Washington National in group sales and group agency work since 1939, has been promoted from group supervisor in the southwest territory, with headquarters at Dallas, to group agency supervisor in the home office.

### Beckmann Assists Cass

Robert D. Beckmann has been appointed assistant to W. Oliver Cass, Indianapolis general agent for Mutual Benefit Life. Mr. Beckmann had been with the Allison division of General Motors Corp. for 11 years, the last seven as assistant to the public relations director.

Everett B. Shearburn, Jr., has been named Missouri agency supervisor for General American Life, to service out-state agencies. He joined the company in 1947.

Lovelace S. Herpin has been appointed district manager at Lafayette, Ala., for Guarantee Savings of Montgomery.

The Fuller agency at Hastings, Mich., has been appointed a general agency of American Mutual Life of Des Moines.

**Liberal Commissions**

**Organization Allowance**

**Office Allowance**

**Persistency Bonuses**

**H. O. Training Schools**

**Production Club Conventions**

**Regional Meetings**

**Prize Winning Sales Aids**

*A General Agency Company*

WRITE H. S. McCONACHIE, Vice Pres.

**AMERICAN MUTUAL LIFE INSURANCE COMPANY**

DES MOINES 7, IOWA

# Money Talks

It Says... Good Producers will see a lot more of me with No Increase In Effort with a Mutual Savings Life DIRECT CONTRACT

DIRECT CONTRACT opportunities in Indiana, Ohio, Iowa, Kentucky, Missouri, Arkansas and Mississippi. A complete line of:

**LIFE** • ACCIDENT  
• SICKNESS  
• HOSPITALIZATION  
Your reply held confidential. Write to:  
**J. DeWitt Mills, Supt. of Agents**

**MUTUAL SAVINGS**  
*Life Insurance Company*  
5701 WATERMAN ST. LOUIS 12, MO.

## PLUS

Union Mutual's High Limit Medical Expense Plan contains no Coinsurance Feature. In other words, we pay all medical bills above the deductible amount up to \$5,000 . . . not just a portion of such bills.

Benefits are paid whether or not the policyholder is hospitalized.

There is no time limit on any one claim. The bills of one sickness or accident may run over an indefinite period of years.

Also, deductible amounts may be selected ranging from \$100 up to as high as \$5,000.

Today it's the PLUS values that make the difference!

**UNION MUTUAL**

LIFE INSURANCE COMPANY • Home Office  
Portland, Maine • Rolland E. Irish, President



December 12, 1952

## LIFE INSURANCE EDITION

17

**ASSOCIATIONS****Sees Leveling of Inflation  
As Ending Term Problems**

**PITTSBURGH**—Indications that inflation is leveling off and that the trend will be the other way should make for an end to the heavy buying of term insurance with correspondingly greater interest in permanent life insurance, Vice-president Eric Johnson of Colonial Life told a meeting of Pittsburgh Life Underwriters Assn.

Mr. Johnson said that some years ago when the purchasing power of the dollar started shrinking, buyers of life insurance in unprecedented numbers started to buy term insurance, fearing that the benefits of life insurance as protection for their families at death or as an emergency fund or retirement income, might have less value because of inflation.

**Chattanooga, Tenn.**—The underwriter should not consider his work done when a policy is purchased, for proper delivery of the policy is vital to the transaction, Leighton Beers, manager of Protective Life, declared.

**Daytona Beach, Fla.**—Don Kelso, State Farm Life, addressed the East Coast association at a luncheon.

**Southwest Kansas**—The association held a ladies day program with Elmer Moore, New York Life, Wichita, a former trustee of N.A.L.U. as speaker on "The Role of the Wife in the Life Underwriter's Career". It was announced that 15 members are enrolled in the second year L.U.T.C. course with meetings held at Dodge City, Liberal and Garden City.

**Hutchinson, Kan.**—Attorneys, trust officers and accountants were invited to a meeting on "Estate Problems" with Walter A. Bowers, Business Men's Assurance, speaker. More than 100 attended.

**Great Bend, Kan.**—Earl V. Reed, Equitable of Iowa general agent, Wichita, will speak at the Dec. 13 meeting of the Central Kansas association on "How I Look at the Insurance Profession After 30 Years in the Business".

**Nashville, Tenn.**—The association sponsored one day's operation of the "bloodmobile" of the Nashville Blood Bank, securing nearly 1,000 donations.

**Portland, Ore.**—Samuel L. Zeigen, New York attorney, who is a C.L.U. spoke on underwriting tax and estate planning. On this western trip Mr. Zeigen has given similar talks before associations at St. Louis, Kansas City, Los Angeles, San Francisco, Seattle, Denver and Detroit.

**Newark**—H. Cochran Fisher, Aetna Life, Washington, will speak to the Northern New Jersey association at a noon meeting on "A Green Light to Financial Independence."

**Watertown, N. Y.**—The Northern New York association held a Christmas party. Philip Chase, president of the New York State association, and Henry Lipes, regional vice-president, were speakers.

**Minneapolis**—"Coordinating Service Techniques" was the topic of a luncheon meeting of the Twin City Women Life Underwriters. Leading the discussion were Miss Jessie Kershaw, Aetna Life, and Miss Frances Christian, Security Mutual Life, both of Minneapolis. Mrs. Minna Hensley, Salina, Kan., chairman of the women's committee of N.A.L.U. was a guest.

**Colby, Kan.**—The Plainsman association met here, naming J. Wesley Whitney secretary-treasurer to fill out the term of Boyd Bainter, resigned. The January meeting will be held at Norton with Leo L. Kline as program chairman.

**Sandusky, O.**—Paul Daly of Western and Southern Life spoke on "Opportunities in Our Business" at the December meeting of North Central association.

**Wilkes-Barre, Pa.**—Members voted full support for the program, "Operation Jobs" and agreed to act as "special ambassadors" for the local industrialization campaign. Three civic organizations entertained the association and praised its 350 members for the "beneficial influence they wield in the community."

**Beeckley, W. Va.**—Harold M. Korn, president, presided at an open forum conducted on business insurance.

**Silver Spring, Md.**—About 350 members of the District of Columbia association, including its new branch here, attended at a luncheon the Diamond Life Bulletins, discuss the meeting to hear H. P. Gravengaard, editor of

importance of business insurance. The D. C. group plans to encourage entry of more "combination" men, ordinary and industrial life agents, into the organization.

**Buffalo**—Harry C. Copeland, Jr., general agent for Massachusetts Mutual at Syracuse, discussed "Merchandising Life Insurance in the Modern Manner".

**DEATHS**

(CONTINUED FROM PAGE 13)  
and the general plan of the course, and he is credited with the success DISC has had.

In civic affairs, Mr. Hedges served two terms as president of the Wichita University Club and in 1945 was national president of the War Dads. He was also chairman of the Kansas state commission for the United Nations Educational, Scientific and Cultural Organization.

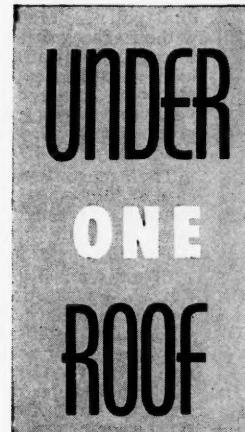
Although warned by his doctors that his health was seriously impaired, Mr. Hedges did not diminish his activities. He remained on a full schedule both with his agency and in his outside interests.

**EARL V. DEANE**, former manager of New York Life at Philadelphia, who served that company for 50 years, died. He was 74.

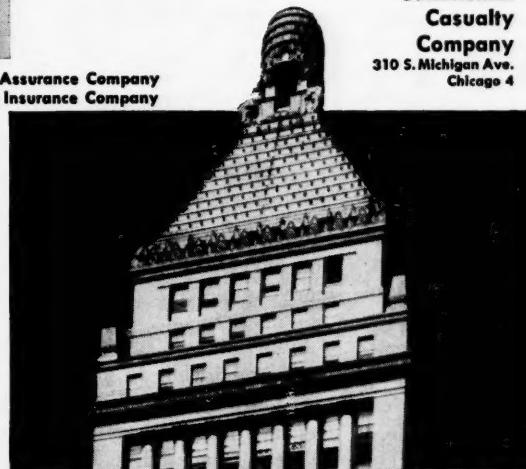


The three categories of agents, managers and brokers were represented at a goodly turnout for an open house marking the ninth anniversary of the Hamilton Ferguson general agency of Occidental Life of California at Chicago.

Shown here, from left, are Mr. Ferguson, H. W. Brower, president; W. B. Stannard, agency vice-president, and J. L. Gillstrap, Chicago branch manager of Occidental. Messrs. Brower and Stannard stopped at Chicago for two days enroute to New York where they attended the several insurance meetings this week.



Associates: Continental Assurance Company  
Transportation Insurance Company



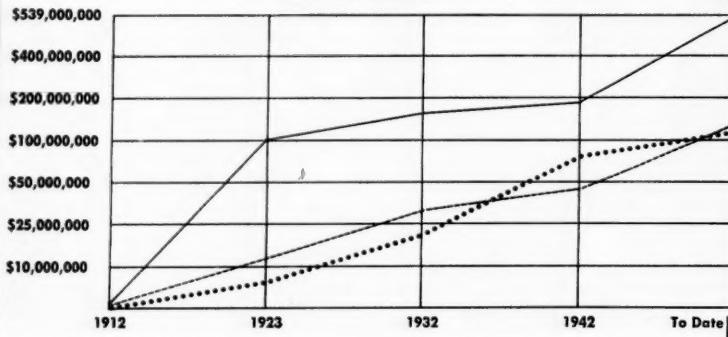
Catastrophe  
Medical Coverage  
Hospitalization . . .  
Individual & Family  
Aviation & Travel  
Accident . . . World-Wide  
Unusual  
and Extraordinary  
Special Risks  
A&H Income  
Protection . . .  
Even for Life  
United States  
Life Insurance Company

**Continental  
Casualty  
Company**  
310 S. Michigan Ave.  
Chicago 4

## PAN-AMERICAN LIFE INSURANCE CO.

*Four Decades of Progress*

1912 TO 1952

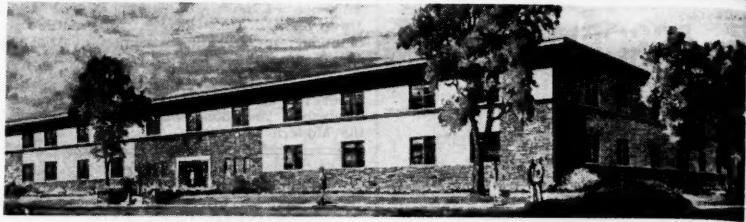


- Here's The Reason**
- We HAVE: A. A WELL-TRAINED SALES ORGANIZATION  
B. ARMED WITH EXCELLENT SALES TOOLS and HIGHLY COMPETITIVE SALES MERCHANDISE  
C. A LIBERAL COMPENSATION PLAN . . . INCLUDES
1. Free Hospitalization
  2. Group Insurance up to \$6,000
  3. A Non-Contributory Pension Plan
  4. Disability Benefits
- The progress of Pan-American Life Insurance Company is measured by the ability and success of its agency organization.

CRAWFORD H. ELLIS  
President

EDWARD G. SIMMONS  
Executive Vice-President

KENNETH D. HAMER  
Vice-President & Agency Director



Great Southern Life held open house in its new home office at Houston. At a dinner in the new cafeteria L. S. Adams, president, spoke briefly. Besides the cafeteria, there are recreation areas for employees. Several home office men conducted tours of the building.

## 500 Attend Tex. A. & H. Congresses

More than 500 agents registered for the various sessions of the sales congress sponsored by Texas Assn. of A. & H. Underwriters that opened in San Antonio Dec. 1. The caravan moved on to Houston, Dallas, Abilene and Oklahoma City. At each stop, an identical program was presented, the only change being that the local A. & H. president in each town was the program opener.

At San Antonio, A. D. Anderson, Occidental Life, gave the greetings. Frank N. Gordon, Gordon agency, was in charge in Houston; Allen Cuerton, Combined American, at Dallas, and R. L. McMillon, B.M.A., at Abilene.

Opening speaker was John G. Galway, Provident Life & Accident, Birmingham, Ala., president of the International association, who spoke on "Mass Selling." He urged that more thought be given to group, saying that if group A. & H. is properly written it leaves a market for individual policies. Many agents sell group without recognizing what is required to constitute it and what type of service it should receive, he said. New people come into the group through the year, and this plus the servicing the group should receive creates opportunities for new sales.

The agent attempting to sell a group case should go to the president of the concern, he noted, because the sale must be made through the one who makes the decision on buying.

"Time for Action" was discussed by Edward H. O'Connor, managing director of Insurance Economics Society, who called attention to the part the introduction of social security in different countries has played in forwarding socialization of the states. Social security, he said, is based on the idea that people should have what they do not earn. No security, he went on, can exceed self-reliance. He emphasized the danger of acceptance of a dole, the surrender of personal responsibility and the accepting of social security and the effects of 15 years of propaganda on this subject have had. He urged that insurance men watch the coming progress, noting that the election did not guarantee changes for which insurance people might hope.

Wesley J. A. Jones, director of A. & H. sickness sales for Mutual Life of New York, in his talk, "You Do Not Need A Better Mousetrap," declared that it is human nature for the men in the field to gripe.

The most common need is better policies and a greater consciousness of this need in the home office, Mr. Jones declared. The demand of the man in the field makes for improvement, he said, suggesting, however, that the salesmen can do a better merchandising job of the product the companies are now providing.

The entrance of life companies into the A. & H. field, Mr. Jones opined, is beneficial and is the result of an awakening to the fact that the companies have not been serving the public as fully as they should. The companies have not been giving the type of service that has been needed.

Mr. McMillon, who is also a regional

director of the Texas association, gave a talk on "Penetrating Oil." The successful man must give complete service, he said. The agents who become "education-happy," Mr. McMillon said, become almost completely technical and they can only be saved by getting down to earth.

To succeed, the salesman must learn the five basic points of salesmanship. Professional status may cause the salesman to expect people to come and buy.

After he makes a sale, Mr. McMillon sends a note of thanks to his new policyholder. When he sends a birthday card, he writes a personal note in his own handwriting. He said that he made a sale to a man that involved a premium of \$30 a month, and when he asked the man why he had bought, the answer was that it was because of Mr. McMillon's birthday cards.

## Form Mass. Mutual Veterans Club; Sabin Is President

President Leland J. Kalmbach of Massachusetts Mutual Life welcomed 220 members of the company's new Quarter Century Club at its initial gathering. The club is made up of active home office employees with 25 or more years of service and retired home office personnel.

Following dinner, there was entertainment and informal business.

Officers elected were Carl A. Sabin, president; Miss Ethelyn Sessions, vice-president, and Miss Frances Shierman, secretary.

## Holmes Leads Mont. Ticket

An official canvass of the Nov. 4 election vote in Montana shows that the candidate for state office on the so-called partisan ticket who got the most votes and who had the widest margin was John J. Holmes, state auditor and insurance commissioner. He got 141,386 votes to 110,859 for Republican Bruce Miford of Missoula.

In the election, 12 insurance agents were named to the Montana legislature, six to the house and six to the senate.

## Confer on War Base Activity

It is Wade Martin of Louisiana, the N. A. I. C. president, and D. D. Murphy of South Carolina, the vice-president, that will be conferring at Washington Friday with Defense Department officials on the problem of insurance solicitation at army bases. This was regarded as a closed matter until recently when the Defense Department decided to reopen it.

## Persons Is Mutual Life Leader

The Chicago (Persons) agency of Mutual Life led the company in volume of insurance sold during November.

The New York (Myer) agency, was first in number of policies sold and third in volume. New York (Buesing) was second in volume and the Brown agency at Grand Rapids was second in policies sold. The Tyner agency at Cleveland ranked third in policies sold.

# your own

## LIFE INSURANCE DEPARTMENT

**FOR THE INDEPENDENT BROKER**  
a complete life insurance department, providing every facility of a major life insurance company, has been organized by Connecticut General. Brokers now using this unique service find it extremely helpful and profitable.

Your Own Life Insurance Department offers a variety of sales

and promotional facilities to help you serve your clients' needs more completely.

Find out how its service can prove worthwhile to *you*...contact your nearest Connecticut General office or write to Connecticut General Life Insurance Company, Hartford, Conn.



# Connecticut General

## Discount Cost Argument of Pension Prospect

**NEW YORK**—An employer's statement that he has been all through the pension question and found it would be prohibitively expensive to set up a plan often means nothing, David Marks, Jr., general agent of New England Mutual in New York city, told a meeting of the Commerce & Industry Assn. of New York.

Mr. Marks said that unless the employer has gone over his situation with a qualified pension expert, the objection that cost would be too high often results merely from thinking in unrealistic terms. While a corporation with practically limitless funds can set up a plan without counting the cost, most corporations have to start out by figuring what they can afford to lay out each year and devise the pension plan



### SERVING LEADING INSURANCE COMPANIES AND AGENCIES COAST TO COAST

Lemarge . . . the finest mechanically equipped mailing service in the Middle West producing all types of jobs at low cost.

Lemarge . . . a battery of modern automatic inserting machines turning out over half a million pieces a day.

Lemarge . . . able to address your envelopes at unusually low cost from telephone books, voters lists and city directories throughout the United States.



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accordingly, said Mr. Marks. By getting down to essentials and putting first things first, they often find they can afford a plan.

Mr. Marks said that from 4 to 6% of payroll is about all most corporations can afford if they cover all employees. If the plan just covers the salaried executives or is on employees of the corporation having only salaried personnel, then, the cost usually cannot exceed 12 to 15% of the participant's compensation.

## Mass. Mutual Agents Chalk Up Records in Sales Contests

The Massachusetts Mutual Life field force set a record in the annual Quota Buster contest sponsored by the General Agents Assn., submitting business amounting to nearly \$68 million between Oct. 20 and Nov. 21. This was 139% of the \$49 million goal set for the contest, and represented the largest production for a 33-day period in the history of the company.

Of the company's 89 agencies, 65 exceeded their quotas. The agency, in each of three divisions, that produced the highest percentage of quota will be awarded a trophy at the General Agents conference to be held March 30-April 1 at Chandler, Ariz.

Winners in their respective divisions were: Providence, Roderick Pirnie, general agent, 255%; Boston, William R. Robertson, general agent, 363%; and Lawrence (Mass.), Ronald R. Reader, general agent, 803%. Seventeen agencies submitted more than 200% of their quota, and 19 wrote more than \$1 million of new business. The \$4,270,000 of written business submitted by the Newark Agency during the contest is the largest amount ever written by any agency of the company in a like period of time.

## Urges "Middle Ground" for Pension Financing

A middle ground for investment of pension funds was called the best method of financing retirement plans by William C. Greenough, vice-president of Teachers Insurance & Annuity, at the annual Church Pensions Conference at New York City.

Mr. Greenough pointed out that the reliance on so-called risk-free investments did not take into consideration the problems arising from inflation. The most important problem has become the decline in the pensioner's purchasing power, a problem which is not solved by the fixed dollar income afforded by annuity plans which invest solely in fixed income securities, Greenough said.

He described an equities fund initiated by his company last July which permits policyholders to invest up to half of their pension premium in common stocks. This furnishes a hedge between a fixed dollar fund which is reduced in value by inflation, and the common stock fund which is affected by the volatile nature of the American economy, he said.

## New Ohio, Kan. Handbooks

New, up-to-date Underwriters Handbooks for Ohio and Kansas have just been published by The National Underwriter Co. These provide complete and up-to-date information on agencies, companies, field men, general agents, solicitors, groups and other organizations affiliated with insurance throughout these two states.

Premiums and losses by lines, within these states, for all fire and casualty companies and life insurance paid for and in force for life companies, are also presented in special, statistical sections. Copies of either may be obtained from The National Underwriter Co. at 420 East Fourth street, Cincinnati 2, O., price \$12 each.

## Definite Rules on Credit Life and A. & H. Urged by N.A.I.C. Subcommittee

Definite rules and regulations governing the sale of credit life and credit A. & H. insurance should be proposed, according to the N. A. I. C. subcommittee on that subject headed by Southall of Kentucky, who reported at the New York meeting this week.

These rules should deal with the run-in sale of A. & H. insurance on an individual basis in connection with loans; and the sale of life insurance in connection with loans when sold on

an individual basis but under such circumstances as to result in the writing of an actual group although on an individual basis.

The subcommittee asked to be continued for the purpose of making a survey as to what regulations presently exist and to see to what degree of uniformity may be accomplished, preliminary to a definite proposal at a later meeting.

National Equity Life has increased non-medical limits from \$7,500 to \$10,000 for ages 5-35, inclusive. Limits for ages 0-4, and ages 36-40 remain at \$7,500.



## His ideas waited 600 years...

Leonardo da Vinci was the first engineer to design a helicopter, parachute and air-conditioning system.

That was 600 years ago. Today

—from laboratory and plant—pour instruments and devices designed and developed by American engineers to increase man's mastery of the air, earth and sea.

Our hat is off to American engineers. Their untiring devotion to their jobs—all the hours they spend tracking down the truth in laboratory, test cell and proving ground—bring to the American people one sound design after another for better living and greater security.

### ANOTHER SECURITY ENGINEER

Like the engineer, the Mutual

Benefit Life man is a designer of better living and security. His chief aim is to design a life of security and permanent peace of mind for all who ask him for counsel.

He works with tools of proved effectiveness. With his Analagraph, for instance, he can predict the financial future of each client in terms of dollar needs.

And select the right plan from the many plans at his disposal.

### THE RIGHT DESIGN FOR ENGINEERS

Many engineers have benefited from the counsel of a Mutual Benefit Life expert. He has the plans, tools and wholehearted desire to design the one plan that best fits individual requirements.

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## Leadership...

AS a leader in the non-cancellable disability field, we invite comparisons of benefits . . . of premiums . . . of service. But we especially welcome your attention to the manner in which we treat the policyholder.

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INSURANCE COMPANY  
WORCESTER 2, MASSACHUSETTS

Frank L. Harrington..... President  
Edward R. Hodgkins.... Vice-Pres. and Mgr. of Agencies

★ NON-CANCELABLE ACCIDENT & SICKNESS • LIFE • GROUP ★

Agency representation in the 48 states, the District of Columbia, Hawaii and Canada



## The PILGRIM SPEAKS

Here at State Mutual we devote much time, thought and effort in helping field underwriters through supervised training. At the present time 81% of all our full time agents are voluntarily participating in one or more of eight different courses.

The complete two-year program begins with a basic two-week introductory course, continues through an intermediate course and winds up with an advanced comprehensive tax-business course.

Experienced as well as new agents tell us that this personalized program has been invaluable to them in their ambition to become the best informed underwriters in the business.



STATE MUTUAL LIFE  
Assurance Company  
OF WORCESTER, MASSACHUSETTS

## Relaxed Atmosphere Marks NAIC Meeting at New York

(CONTINUED FROM PAGE 1)  
committee reports were not available sometimes until months later has been a serious infirmity. At New York an extensive stenographic service was set up, committee chairmen were needed into dictating their reports at the earliest possible hour and then these were distributed in lots of 500, even before they came up for action. This was almost like a dry run, however, on this occasion because the committee reports for the most part were of so little consequence. For instance, the man came around with a big bundle of reports and deposited them with eclat in the press room hot off the griddle and what it said was: "Due to the lack of a quorum, plus obvious disinterest in the activities of the committee, the meeting was adjourned and all matters on the agenda were referred to the next meeting of the committee to be held at the June, 1953, convention.

One of the greatest contrasts with sessions of recent years was the gathering of the rates and rating organizations committee. That has been the forum during recent years for threshing out the hottest issues confronting the fire and casualty fraternity and often the meetings would run well into the evening hours. There was an extensive attendance at the meeting of this committee here early Tuesday morning, but despite the fact that the agenda included such tasty morsels as package policies, where coverages are under jurisdiction of several bureaus, and term discounts and finance charges on instalment premiums, there was nobody that wanted to talk at anybody on these or any other matters, especially not to talk at commissioners that were so soon to become eligible for membership in Passe Club International, and their deputies, etc. Incidentally members of Passe Club were distinguished at the convention by having a black outline of a broad-axe pasted on their convention badges. This is a club for ex-commissioners.

Many observers felt as a matter of fact that a good dose of such calm and cool and collected and relaxed atmosphere was all to the good. There has been developing a weariness from preoccupation with regulatory matters in the last eight years and this New York meeting may serve as a means of getting things on a more even keel. It may call attention to the fact that many of the questions that were precipitated by the S.E.U.A. decision have been disposed of and that maybe it isn't necessary to monkey with the controls so much any more. There developed here in lobby discussion agitation for elimination of several committees that have gone through the motions of meeting and that have had to be watched for possible signs of breath but that have had nothing to cope with. Prominently mentioned as good candidates for the ash can are the committees on social security and taxation and real estate, for instance.

A surprise feature was the appearance at the big luncheon Tuesday of Eric Johnston, president of Motion Pictures Assn. of America and a director of New World Life of Seattle, as the speaker of the day. He had been lined up by Charles G. Dougherty of Metropolitan Life but Mr. Dougherty had refrained from announcing him ahead of time for fear he might not be able to make it. Mr. Johnston was banquet speaker at the N.A.I.C. convention at Seattle in recent years.

Wade Martin of Louisiana, the president, distinguished himself by his skill and smooth graciousness in conducting the sessions. He is businesslike and is no one to look under stones for things to talk about. There are absent such leaders as there were of yore who could

always be counted on to stir up something and get a discussion going, like Robert E. Dineen of New York, C. F. J. Harrington of Massachusetts and J. M. McCormack of Tennessee.

Vincent Impellitteri, mayor of New York, gave the welcoming talk at the first plenary session of N.A.I.C. at New York Monday morning. Speaking of the problems of his office he said he will probably be looking to Superintendent Bohlinger of New York at Albany for assistance very shortly. That perhaps indicated a program for taxation of the insurance business for the benefit of New York City is in the making.

Answering the roll call were representatives of 47 states, Hawaii, Virgin Islands, Ontario and Quebec. The Virgin Islands man was Daniel Ambrose, who is territorial secretary and ex-officio insurance commissioner. He was formerly in the West Virginia department. Frank Viehmann of Indiana drew a laugh when in responding to the roll call he said, "Frank Viehmann, on his way out again." He is closing his second, non-consecutive term as Indiana commissioner. Loren Laughlin of Nebraska, another casualty, answered to the call "Loren Laughlin, the only Republican casualty buried under a Republican landslide."

Wade Martin of Louisiana, in his presidential address, announced that the N.A.I.C. committee on insurance solicitation on military bases will be meeting with Defense Department officials Friday.

He suggested that the agenda at N.A.I.C. meetings could well be reduced by sifting requests from the various states for items of a detail nature for inclusion on the agenda. Many of these, he said, can be disposed of by correspondence or by means other than convention procedure.

Bowles of Virginia as usual was named chairman of the resolutions committee.

There was a luncheon Monday following the plenary session for commissioners and ex-commissioners under the sponsorship of Passe Club International. M. S. Harrison of Little Rock as president performed in sparkling style, including the presentation in French of the Passe gavel to Wade Martin of Louisiana, the president of N.A.I.C. Leighton Foster, former Ontario superintendent and now counsel of Canadian Life Insurance Officers Assn., gave a talk in which he sandwiched in advice with humor. He made a plea for financing N.A.I.C. conventions solely by registration fees. This would lift a burden from the shoulders of local insurance people.

Howard Brace of Occidental Life, former Idaho commissioner, gave his usual witty report as executive secretary, licking his chops at the prospect of getting so many new members in the near future.

## Tackle National Problems

Several life insurance representatives participated in an American Assembly discussion at the Harriman, N. Y., campus of Columbia University. Lewis W. Douglas, chairman of Mutual Life, heads the national policy board of the assembly, which is a non-partisan conference and research organization bringing together groups of representative citizens to seek answers to important national questions.

Besides Mr. Douglas, participants were Bryon K. Elliott, executive vice-president of John Hancock, Reynolds I. Nowell, vice-president of Equitable Society, and Louis Pink, chairman of Associated Hospital Service Plan of New York.

W. Pryce Jenkins, communications consultant, addressed Pittsburgh Women in Life Insurance on "The Role of an Effective Program of Oral Communications."

## Ashton, Davis of Provident Mutual to Retire



Leonard C. Ashton and Andrew J. Davis, vice-presidents and senior executive officers of Provident Mutual Life, were honored at a reception and dinner attended by officers and directors of the company and other guests. Both men will retire the first of the year under the company's regular retirement plan.

Mr. Davis joined Provident Mutual in 1912, was elected general solicitor in 1918 and vice-president and general counsel in 1923. Since 1931 he has been senior vice-president and a director. Mr. Davis will continue in the latter capacity.

Mr. Ashton went with the company in 1913. In 1918 he was made secretary, and in 1929 was elected to his present office, vice-president and secretary, in which capacity he has headed the administrative division.

Messrs. Ashton and Davis each received an inscribed silver tray, from their associates in the home office, presented by President M. Albert Lin-

ton, and a plaque from the General Agents Assn., presented by Charles S. Peck, Allentown, president.

## Va. High Court Action Upholds Shenandoah in Mutualization Suit

ROANOKE, VA.—Shenandoah Life has finally become free of nearly \$1 million in claims growing out of its mutualization which had been hanging over its officials' heads for nearly five years.

Hopes of some former officials and stockholders of collecting \$905,743 plus interest from May 7, 1949 ended with refusal of Virginia supreme court of appeals to review the case.

It was the final setback for stockholders in the defunct Shenandoah Holding Corp. who sought to collect 40% of Shenandoah Life's net earnings during its first 15 years as a mutual company.

Judge Lamb in Roanoke circuit court last June held that Shenandoah Life did not owe the money, but the holding corporation carried a writ of error to the supreme court.

Crux of the long and costly suit was the wording of one paragraph in the "plan of mutualization" for Shenandoah Life, passed as emergency legislation by the 1934 Virginia legislature.

John P. Saul, as attorney and trustee for the holding company, contended that, under the plan, Shenandoah Holding, which held 40% of the old Shenandoah Life stock, was entitled to 40% of the latter's net earnings during its first 15 years' operation as a mutual company.

Shenandoah Life contended that stockholders were entitled only to 40% of any dividends declared by directors during this period. No dividends were declared because officials of the reorganized company were building up strong financial reserves.

In attempting to unravel the meaning of the disputed paragraph, both sides went into the depression years' history of the company, during which controlling interest fell into the hands of a New York investment firm, Lehman Brothers.

The late ex-Governor Trinkle, president of Shenandoah Life, and other officials started the move to mutualize the company, to regain control of the stock and keep the company from being dissolved or moved from Roanoke. Saul, a top official of Shenandoah Life at the time, drafted the plan of mutualization.

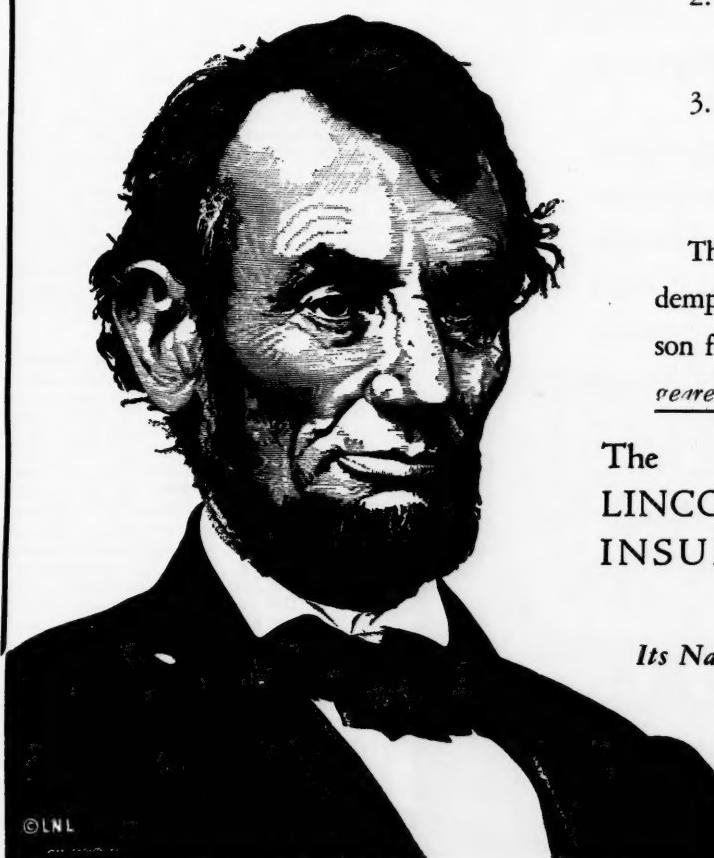
Paul C. Buford, president of Shenandoah Life, characterized the supreme court action as ending the matter.

## A Real Sales-Maker

The LNL representative recognizes his Company's Mortgage Redemption Plan as a valuable sales-maker. He finds that his prospects like this plan because:

1. The amount of insurance decreases as the mortgage reduces.
2. The premium grows smaller each year.
3. Substantial permanent insurance remains after the mortgage is paid.

This well-tailored Mortgage Redemption Plan provides another reason for our proud claim that LNL is severed to help its field men.



The  
LINCOLN NATIONAL LIFE  
INSURANCE COMPANY

Fort Wayne 1, Indiana

*Its Name Indicates Its Character*

He ended on a note of confidence in the railroads' future: "That the Equitable Life is most interested in the modernization and improvement of the railroads is evidenced by the fact that of the first 100,000 freight cars put in service by the eastern railroads since World War II the society financed nearly 20,000. That it believes in the future of the industry as the indispensable means to big-volume, low-cost transportation is shown by its greatly increased investment in the industry in recent years."

Endowment  
at Age 65      Protection  
to Age 65      Double Indemnity  
Death Benefit      Triple Indemnity  
Death Benefit

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COMPLETE coverage at an extremely  
LOW rate means MORE SALES with  
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INSURANCE COMPANY

HOME OFFICE SAN FRANCISCO

LIFE · ACCIDENT · HEALTH · GROUP

## Bankers National Life Marks Silver Anniversary

(CONTINUED FROM PAGE 2)

wick, N. J., president and vice-president, respectively, of the Master Producer's club.

Charles H. Watts of Fort Lauderdale, chairman of the board, spoke on the rapid and amazing growth of the company, attributing it to the leadership of Mr. Lounsbury and his associates. He introduced Dr. Berthold T. D. Schwarz, vice-president and medical director, who unveiled a bronze bust of Mr. Lounsbury. The bust is the work of Archimedes Giacomantonio of Jersey City, who is widely known for sculptures of President-elect Eisenhower, Jonathan Wainwright, Abraham Lincoln, Christopher Columbus and other famous men. The bust has been placed in the lobby of the home office at Montclair, N. J.

A Paul Revere silver bowl inscribed with "affection and admiration" was presented to Mr. Lounsbury by Col. Dallas S. Townsend on behalf of the directors and officers. After the speeches there was a program of professional entertainment. John W. Weber, 2nd vice-president, was in charge of arrangements for the dinner.

## Group Formula Is Bared at Commissioners Conclave

(CONTINUED FROM PAGE 1)

Connecticut General, chairman of the special L.I.A. committee on group, said he was in something of a dilemma, since his committee's report had not yet been submitted to the L.I.A. governing body. He said, however, he could fairly state that "our report is sympathetic to the legislative solution outlined by Mr. Beers."

Commissioner Cheek of North Carolina wanted to know if it is the function of a state to tell companies what they should try to sell.

Mr. Beers answered that certain matters of public policy are involved. From a practical standpoint, group insurance is a vehicle for providing insurance for employees in moderate amounts, about equivalent to a year's salary. There are some federal income tax regulations that make it very much simpler to handle group insurance where, as now, it doesn't need to be regarded as income to the employee. If it were reportable as income, the paper work would probably be more costly than the tax, he said.

Mr. Cheek said the fact that a limit is being sought was an indication that competition is not enough to keep practices in line, as companies have maintained. He wondered if maybe the states should not regulate rates as well as amounts.

Robert Gilmore, Jr., Mutual Benefit Life, Bridgeport, Conn., N.A.L.U. secretary and chairman of its group committee, said he felt a very fine case could be made to the effect that the proposal is in the public interest but said that aside from that "we feel we must act in the interest of the agent and the companies." He said that while the proposed formula is a compromise, it is realistic and, was approved unanimously by the N.A.L.U. committee. Though N.A.L.U. trustees hadn't yet acted on the report, Mr. Gilmore said that if they did they would welcome the life committee's help.

B. N. Woodson, N.A.L.U. managing director, recalled that it was N.A.L.U. that took the initiative in seeking the limitation on group term and has viewed the situation with increasing concern. He said more than 15,000 persons are insured for \$25,000 or more under group term while a "respectable number" are insured for \$100,000 and some for still larger amounts. He said such uses of group term are a far

departure from the original group term insurance concept, which was to provide coverage for the great mass of wage-earners. He quoted an acquaintance as calling it a means of helping the "poor, downtrodden, underprivileged \$100,000 a year executive."

Mr. Woodson mentioned the threatened loss of group term's present tax exemption. As for the threat to the agency system, he said that what menaces it menaces the public good, for the widespread distribution of life insurance is in the interest of the entire populace. He said that the more that large amounts of group term are offered to high-salaried executives, the greater grows the pressure to form synthetic groups.

"We bespeak your serious consideration of this question, and urge that some reasonable limit is sound material for legislation and in the best interest of the public and, or, our industry," he declared.

## Group "Kick-Backs" Get Cal. Scrutiny

It is understood that "kick-backs" under group life and disability insurance contracts are the target of a special drive of the California department.

Issuance of a bulletin is expected in which Commissioner Maloney will require that all monetary considerations under such contracts be spelled out. A bill now being prepared for submission to the legislature would specify that the names of persons handling payment of insurance premiums appear on group policies.

The California department is not taking exception to those rebates which are legitimately payments to group policyholders, or their trustees, for the expense connected with payroll deductions and other details of administering policies.

Commissioner Maloney, however, looks on secret rebates, - those not spelled out in policies - as conducive to what is commonly termed "kick-backs" which influence the placing of a policy with a particular broker or firm.

"Insurance people are pretty well agreed that there have been abuses and collections should be made," Mr. Maloney declared. An investigation begun about a year ago by the commissioner has indicated that in some cases group policyholders or their trustees are pocketing as much as 13%, whereas insurance men look on rebates from 2 to 5% as being proper.

Result of paying excessive rebates, according to some insurance men, has been a "dog-eat-dog" competition among companies. Disability has become an important coverage in California, in 10 years the value of policies having soared from \$30 million to nearly \$160 million.

## OK Capital Hikes for Continental Companies

Shareholders of Continental Casualty and Continental Assurance have approved proposals to increase the capital of each company.

Continental Casualty capital goes up from \$7,500,000 to \$10 million. It is expected that directors will declare a stock dividend of 33 1/3% to effect the increase.

Continental Assurance shareholders voted to increase capital from \$5 million to \$6,500,000. A stock dividend of 30% is contemplated. Special meetings of the boards of directors were scheduled Friday, at which time it was expected that dates for payment of the stock dividends would be set.

Lincoln Service Corp., a small-loan firm of Washington, D.C., has placed with Mutual Life a \$1,688,000 subordinated note at 5%, due in 1962.

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December 12, 1952

## LIFE INSURANCE EDITION

23

**1952 a Year of Records,  
Shepherd Tells L.I.A. Meet**

(CONTINUED FROM PAGE 2)  
the year-end, Dr. James J. O'Leary, the association's director of investment research, stated in his report. The figures are based on estimates prepared jointly by the statistical departments of Institute of Life Insurance and L.I.A.A.

The biggest single increase for the year was in the classification of industrial and miscellaneous bonds, reflecting in part the substantial volume of funds made available by life companies for essential defense purposes. In the two prior years real estate mortgages showed the biggest annual gain.

Dr. O'Leary reported the principal changes in combined life insurance assets during 1952 as follows:

Obligations of business and industry—up an estimated \$3.6 billion to a total of \$29.6 billion, equivalent to 40.5% of total assets.

Real estate mortgages—up approximately \$2 billion to a total of \$21.3 billion, equal to 29.1% of combined assets.

U. S. and other government securities—down \$1.2 billion to a total of \$12.5 billion, equivalent to 17% of all life insurance assets. The decline in the government division was half that of the decrease in the holdings of these securities during 1951.

All other life insurance assets increased by approximately \$500 million during 1952 to an estimated total of \$9.8 billion at the year-end. These assets include holdings of stock, real estate, policy loans and premium notes, and cash. The increase in combined stock holdings was approximately \$100 million during the year.

Dr. O'Leary estimated the annual cash flow which the life companies have available for investment at about \$7 billion a year currently, and said it very likely will increase during the next few years. He defined this cash flow as the net increase in assets, bond maturities and mortgage amortizations—funds, he declared, which are almost certain to flow into the life insurance companies' treasuries as compared with less certainty regarding other additional sources of investible funds such as the sale of assets and the redemption of securities prior to maturity.

Amortization of mortgages alone was estimated at close to \$1½ billion a year. Dr. O'Leary added that the adoption of the principle of regular repayment in industrial bond issues indicates that an increasing amount of money will also flow into the life companies' treasuries from this source.

Net investment earnings before federal income taxes for all U. S. life companies in 1952 were estimated in the neighborhood of \$2.2 billion, an increase of about \$200 million over 1951. Commenting on interest rates and the large increase in federal income taxes in the last few years, Dr. O'Leary said:

"Important as income taxes have become, the primary investment problem of life companies continues to be the low level of long-term interest rates. The increase in interest rates since the 1951 Treasury-Federal Reserve accord has been of very modest proportions, and the level of interest rates continues to be far below the pre-depression level. At the 1930 rate of net investment return the life companies would have earned \$1.2 billion more than estimated earnings for 1952. This is better than one and a half times the amount the Institute of Life Insurance estimates all United States life companies will pay to their policyholders in dividends in 1952."

With regard to the outlook for 1953,

Dr. O'Leary commented as follows:

"An appraisal of the investment outlook for 1953 clearly hinges on the general business outlook. There has been a disconcerting unanimity of opinion among economists that the second half of 1953 will witness an adjustment in the national economy which will lead to a moderate downturn in business activity. Lately, however, there has been a tendency for the forecasters to look with more optimism on the business outlook for 1953."

"If a downward adjustment in 1953 is in store for us, certainly there are few major red flags in our national business statistics warning of impending trouble. On the contrary, many important current indexes seem to point to continued record business activity in 1953. It is also significant that the new administration has pledged itself to a continuation of full employment.

Considering investments in particular, the various surveys on business plant and equipment expenditures planned for 1953 indicate that these expenditures will remain close to the level of 1952. It is now generally anticipated that residential and related construction in 1953 will hold up well in terms of the 1952 level. There is a wide field for financing by state and local governments, and there is a distinct possibility that 1953 may witness attractive issues of longer-term federal securities to fund a portion of the floating debt. Taking account of the various factors outlined above, the year 1953 promises to provide adequate opportunity for the satisfactory investment of life insurance savings."

Second speaker of the opening session was Mrs. Millie McIntosh, president of Barnard College, who stressed the importance of life insurance being planned for husband and wife together.

Marriage is becoming more and more a partnership between equals, those who are equal in education and training, and often equal in economic responsibility, she said. While this might suggest that life insurance is not so necessary as it used to be, Mrs. McIntosh said that "actually it seems that it is doubly necessary for both the man and the woman." The economic problems of the modern family often require that both mother and father contribute.

"Equally important is the fact that both should feel responsible for insurance," said Mrs. McIntosh. "Where the mother does not work but has in her background a college degree and some work experience, she needs for her husband the kind of insurance that will give her time to keep her family together in case of his death, so that she can wait until later to find work that is worthy of her gifts."

Most important of all, she added, "insurance should be planned for husband and wife together, taking into account the resources of both, considering their future as a joint responsibility. This kind of approach to insurance will go far in encouraging an ideal cooperative relationship between husband and wife, which makes for the most harmonious and creative kind of family living."

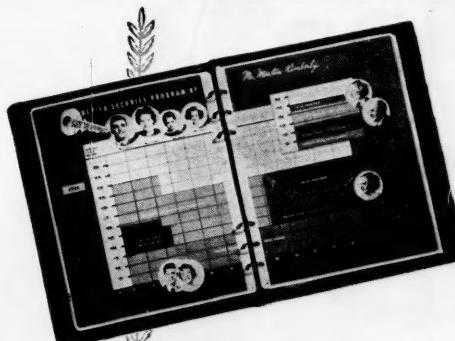
Tuesday's session concluded with the board of directors meeting followed by a reception.

The Wednesday morning session opened with the business session, at which the new president and directors were elected. There followed the addresses of the Managing Director Charles J. Zimmerman of L.I.A.M.A., and David B. Fluegelman, Northwestern Mutual, New York City, president of National Assn. of Life Underwriters, both of which are reported elsewhere in this issue.

Following the luncheon there were talks by Commissioner Martin of

Louisiana, president of National Assn. of Insurance Commissioners, and Dr. Norman Vincent Peale, Director of Marble Collegiate church, New York City, and widely known as an author and lecturer, who spoke on "The Technique of Successful Living."

Copies of the report of E. M. Thore, general counsel of L.I.A., on activities of the L.I.A. Washington office, were distributed at the meeting. It was much along the lines of the talk that Mr. Thore gave at the recent annual meeting of L.I.A.M.A. at Chicago.

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and  
ACCIDENT & HEALTH  
REINSURANCE EXCLUSIVELY

J. HOWARD ODEN, President  
161 EAST 42nd STREET  
NEW YORK 17, N. Y.

### Elect Fitzgerald Chairman at Institute Annual Meet

(CONTINUED FROM PAGE 2)

film describing the institute's work. Holgar J. Johnson, institute president, made a talk also reported elsewhere.

There was a panel discussion on educators and business men working together. Participants included Dr. Hamden Forkner, Columbia University, who acted as moderator, L. J. Muzroll, Maine Central Institute, Mrs. Henrietta Carpenter, Annapolis (Md.) High School, and Prof. Charles M. Walden of Emory University.

Final speaker of the morning was Louis B. Seltzer, editor of the Cleveland Press, who said that the results of the recent national election have magnified rather than lessened the public relations responsibility of American business, particularly as relating to the need of getting over to the people the true story of the American enterprise system and its achievements.

"American business," he said, "has done an astonishingly poor job of selling itself to the American people. The incredible paradox of American business with its extraordinary arts of salesmanship, advertising and promotion failing to get across to the people what is basic in the commercial system for which the nation has achieved its unprecedented prosperity, is, I believe, the greatest single indictment of our whole private economic pattern."

Mr. Seltzer said that some progress has been made in recent years. The American press, he said, is eager to help tell the story of American business to the American people but too often the doors are closed against the press. He said that too often business men in critical situations laconically toss off a "No comment" while another side is fully stating its position and thus exploiting the inarticulate or unwilling attitude of business.

"The critics of business, generally speaking, are both loquacious and loose," he said. "They seize every opportunity to talk. Business, by the reverse measure, seems to seize every opportunity to retreat into its protective, and I believe, misguided silence. Business men should learn to trust the press and the press should learn to trust business."

The luncheon speaker was Paul G. Hoffman, president and director of the Ford foundation, whose subject was "Business Cooperation in a Competitive Economy."

The meeting concluded with a business session and election of board members, following which the new board met to elect the chairman and other officers.

### N.A.I.C. to Study Surplus of Blue Cross Plans

A study of the surplus or contingency reserve position of Blue Cross plans is to be undertaken by an N.A.I.C. subcommittee headed by Charles C. Dubuar of the New York department as a result of action taken at New York this week. The N.A.I.C. position officially is that a plan should have a contingency reserve equal to at least three months losses, but many of the plans especially in the middlewest and west fall short of this, some having such a reserve equal only to about three weeks losses. The plans in the east generally are better fortified. There was circulated a study showing the ratio of contingency reserves of the various plans to annual losses. In the strongest position were such plans as Baltimore with a ratio of 53.5 and New York with 50. At the other end of the scale were Tulsa, 5.2; Los Angeles, 6.3, Chicago, 6.7.

### Terms Major Medical Hottest of All Covers

NEW YORK — With a working knowledge of major medical insurance, the hottest field in insurance today, almost anyone can gain entree to an employer's office by offering to discuss it with him, Edmund B. Whittaker, vice-president of Prudential, told members of the New York City Young Men's Board of Trade at their insurance luncheon.

Mr. Whittaker said it is the liveliest topic now because for those earning over \$5,000 annually there is no really adequate medical expense insurance. They also lack insurance to cover such things as medical expenses incurred when a child has rheumatic fever, when home care rather than hospital care is the method of treatment. Under the latter, while the person may carry hospital and surgical insurance, it will not cover the expenses.

### Loyal Protective Changes Non-Can Rates, Benefits

Loyal Protective Life has reduced rates on all of its non-cancellable A. & H. plans at most ages and has added several new supplementary coverages and a number of underwriting liberalizations.

On all policies, except the family hospital policy, rates have been reduced at all ages through 50. Above age 50 there are slight increases. A \$400 maximum reimbursement surgical schedule has been adopted to supplement the previous \$200 and \$300 maximum schedules.

The blanket accident and medical expense rider has been adopted for use with the family hospital policy. A new rider will make a regular policy non-occupational at a reduced premium. Full aviation coverage is now available with any policy at additional cost. The maximum limit of indemnity on any one individual has been increased to \$400 a month in certain occupations. Non-medical has been extended to include policies providing sickness benefits for as long as 10 years. There has been a general liberalization with regard to female risks, including higher limits and the availability of protection for employed married women.

### American Service Bureau Holds Annual Meeting

Branch managers representing the entire operating territory of the American Service Bureau gathered in Chicago for a two-day meeting, which is a regular annual affair. President Lee N. Parker and Vice-President R. R. MacKenzie presided at the sessions. Staff members of the American Life Convention and A. S. B. joined at lunch on the first day.

### Opens Dallas Loan Office

Northwestern Mutual Life is establishing a loan office at Dallas to be headed by Robert R. Barrows, with the company since 1948.

A naval veteran, Mr. Barrows was in the home office mortgage loan department before being transferred in 1950 as assistant loan agent at Philadelphia.

### Adds Brown at Tulsa

Old Republic Credit Life has added Joseph H. Brown to the south central regional executive staff and has moved its office to new and larger quarters at 1101 American Airlines building, Tulsa.

For six years Mr. Brown has been with several financial institutions in a managerial capacity. He is an air force veteran.

December 12, 1952

## Sales Ideas That Work

### McCann Plays Down Death Hazard to Get Prospects off Term-Insurance Track

NEW YORK—Playing down the death hazard may sound like a strange way to sell life insurance but James J. McCann, Jr., of the Evans agency of Home Life in New York City uses it effectively to sell permanent life insurance to prospects who have been beguiled by the apparently cheap price tag on term insurance.

Mr. McCann explained his methods at the meeting of the Bronx branch of the New York City Life Underwriters Assn. There was particular interest in his talk because of the nearly 300% rise in term insurance sales in the last eight years and the fact that Mr. McCann's 11-month production figure of more than \$900,000 contains less than \$100,000 in term or family income.

His technique is to explain to the policyholder that according to the annuity tables a man age 36 has a better than three out of four chance of being alive at age 60 and that this is the reason that term insurance is so cheap—there's less than one chance in four

that the company will have to pay off. He stresses the likelihood of living and the consequent need of insurance that will be paid up by the time the prospect retires, or retirement insurance if the buyer is in a position to pay for it.

If the prospect is an employee usually the first objection is that his pension plan will take care of his retirement needs.

"Will it?" Mr. McCann asks him. "It's sure, isn't it?" the prospect asks, beginning to wonder.

"Yes, if you stay with this concern and keep your health," Mr. McCann responds, and then goes on to stress the possibility of the man's going into business for himself, shifting to another employer or being ill for a long time.

Mr. McCann is strongly against getting a man to load up with high-premium insurance or even ordinary life at the expense of adequate death protection. He may recommend ordinary life with a family maintenance rider that provides level term protection. But when he sells this arrangement he systematically follows up to make sure that the buyer converts the term portion to permanent coverage as soon as he can afford to.

He emphasizes that the client should be building a permanent plan of insurance as rapidly as he can—a plan that not even illness can take away from him, so long as he has waiver of premium protection.

When a prospect has a pretty generous pension plan and his age and general situation are such that it seems unlikely he will be making a shift in employers, he may object to buying permanent life insurance on the ground that he can elect a joint and survivor pension basis that will give his wife half or two-thirds of the pension he would otherwise get.

Mr. McCann then points out that if the pension is set up to give his widow half his retirement allowance after he dies it will reduce his pension by about 25% while if she is to get two-thirds of his allowance it will mean a 35 to 40% cut in his pension. Mr. McCann asks his prospect if it wouldn't be better to sacrifice a little now so as to be able to enjoy the full pension by having a program of paid-up life insurance to take care of protecting his wife.

### Fidelity Scores High Where It Counts Most



Our leading producers have again reminded us that Fidelity Life scores high in:

- ✓ Training Program
- ✓ Field Supervisory Assistance
- ✓ Sales Aids
- ✓ Home Office Cooperation
- ✓ Claim Service
- ✓ Incentive Plans

**FIDELITY LIFE  
ASSOCIATION**  
Home Office - Fulton, Illinois

### THE UNITY LIFE & ACCIDENT INSURANCE ASSOCIATION

**Insures  
The Whole Family**

**Unity agents are equipped  
to serve every need for personal  
insurance. Juvenile  
policies our specialty.**

E. R. DEMING  
President

L. J. BAYLEY  
Secretary

HOME OFFICE — SYRACUSE, N. Y.

officials and general agents took up other matters of mutual interest to home office and general agency.

### TO SPREAD CHRISTMAS CHEER

Nearly all of the home office departments of Occidental Life of California have voted to forego the usual office parties in favor of lending aid to needy families, collecting of toys for children's institutions, and shipping of gifts to servicemen overseas.

### Allenbaugh T. H. Deputy

Carl J. Allenbaugh, who was just recently named to the civil service post of deputy insurance commissioner of Hawaii, attended the N.A.I.C. convention at New York. He had been with Prudential many years.

**Lloyd G. Posey** has been appointed southeast Texas manager for South Coast Life. He will be in charge of agency operations in Beaumont, Port Arthur, Orange, Liberty, Dayton and Jasper.

### Ries Colorado Deputy

Henry F. Ries, principal actuary, has been appointed deputy commissioner in the Colorado department. He is a graduate of University of Michigan and a veteran of the last war.



"The Rock"—builder of teams, perfecting the forward pass, backfield shift and hard tackling. In 13 years of coaching his teams won 105 games, lost 12 and tied 5. An enviable record for this champion.

Symbol of Strength and Growth. Scoring strongly in the insurance field, this young company has set two winning records with \$500,000,000 in 20 years and \$877,000,000 in force in 25 years. Both records untied and unbeaten. An enviable record for this champion.

**UNITED BENEFIT**  
LIFE INSURANCE COMPANY  
OMAHA

### Woodmen Have Met the Challenge

In 44 states, Woodmen have met the challenge of President Farrar Newberry's January "Blueprint for 1952". They have—

- increased local camp meeting attendance
- maintained Woodmen War Memorial Hospital's high efficiency
- promoted Americanism by more gifts of flags, history awards, historic markers
- sponsored and assisted more civic service projects
- given greater emphasis to Boys of Woodcraft and B.O.W. Sportsmen's clubs
- greatly increased the society's insurance in force

**WOODMEN OF THE WORLD  
LIFE INSURANCE SOCIETY**  
Omaha, Nebraska

## Aspects of Health Care Treated at N.A.I.C. Meet

(CONTINUED FROM PAGE 5) with 4.2% in 1935-39. The physicians' percentage has gone down while that of the hospitals has gone up. In a 1949 study it was shown that the income of doctors had gone up to 108% which was exactly the amount of increase of his patient's income. The improvement in the doctors' income is due solely to the volume of his practice. Dr. Heyd made a plea against ever introducing a regulated fee schedule for doctors. He said the price of that would be a diminution of service. The doctors are able to serve at a lower per unit cost today because of urban concentration, improved transportation, increase in population, improvement in medical and surgical procedure and development accessories.

### Ind. Caravan Slates Ernst

Carl Ernst, manager of North American Life & Casualty at Minneapolis, immediate past president of International Assn. of A. & H. Underwriters and a member of the N.A.L.U. committee on A. & H., will be one of four featured speakers on the caravan sales

congress of Indiana Assn. of Life Underwriters.

Mr. Ernst's appearance will mark the first time the Indiana caravan has ever featured a speaker on A. & H. The caravan will put on all-day sessions at Evansville March 26, Indianapolis March 27, and Fort Wayne March 28.

## Sherwood Succeeds Wray at Norfolk for Life of Va.

Burton T. Sherwood, formerly director of pensions of National Life of Vermont, has been named manager of the Norfolk ordinary agency of Life of Virginia. He succeeds George W. Wray, who is continuing with the company as a special representative.

Mr. Sherwood joined National Life at the home office in 1946, after nine years as an agent for Penn Mutual

Burton T. Sherwood

Life, including service as life insurance adviser and consultant to several hundred employees of New York Telephone Co. He is a C.L.U. and a graduate of the L.I.A.M.A. school.

## Direct Placement Study by House Recommended

WASHINGTON — Recommending that a House committee continue study of direct placements of securities the so-called Heller sub-committee has submitted a report on its investigation of securities and exchange committee activities. It also recommended that the SEC make a fact-finding study of the subject of direct placements.

The Heller committee released printed transcript of its hearing last spring on direct placement problems. A number of insurance executives testified on that occasion in opposition to requiring SEC registration of direct placements.

### Frederick Gets Pru Troy Post

Prudential has appointed Donald A. Frederick district manager at Troy, N. Y., succeeding R. P. Murray, who retires after four years with the company.

## Weigh New Bond Tests In Securities Valuation

(CONTINUED FROM PAGE 4) before any definite action is taken. Mr. Hagerty indicated there may be other companies supporting Metropolitan's position.

Earlier Mr. Hagerty had written the subcommittee that the fundamental defect in the proposals before it lies in the assumption that two entirely arbitrary tests can provide a base of valuation of securities of all kinds and classes.

The sole function of valuation is to determine an existing state of fact, that is, the degree of solvency. Ultimate losses in any business are provided for by reserves and surplus. Valuation should test the adequacy of reserves and surplus to meet losses prospectively to be realized. No such prospective loss needs to be provided for twice, once by write down and once by reserve. Prospective losses are not determinable by the proposed formulas. The proposals are unworkable and ineffective.

## New Rules in Texas for Credit Insurance

The Texas board of commissioners has adopted a new set of rules governing credit insurance that will be effective Jan. 1.

The requirements are that premiums shall be filed and approved by the board, with a maximum premium setup. The maximum rate for level life insurance is \$2 a year per \$100 of insurance regardless of the age of the insured. If the policy covers more or less than a year, the premium is correspondingly increased or reduced provided that a minimum of \$1 be collected on policies of \$100 or under.

### Hershey Suit Dismissed

A suit contesting the 1951 election of Harry B. Hershey, former director of insurance for Illinois, to the Illinois supreme court has been formally dismissed by Judge Quinter Spivey in Madison county circuit court.

Returns from the 21 counties of the second supreme court district were involved in the suit, ballots from 10 of the counties having been recounted without appreciable change from an official canvass.

The suit was filed in July, 1951, by the Madison county Republican chairman and two precinct workers in support of their candidate defeated by Mr. Hershey.

**MERRY CHRISTMAS**

**CHRISTMAS IS FOR GROWN FOLKS TOO!**

The clients, to whom you bring security and freedom from financial care through Pacific National Investment Insurance, know well that "Christmas is for grown folks too." . . . The personal satisfaction and the increased premium income you get make Christmas Merrier for you also! Write Kenneth W. Cring, Vice Pres. and Supt. of Agencies, about the outstanding general agency openings available with . . .

**PACIFIC NATIONAL LIFE ASSURANCE CO.**

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*Selling is Easier... WHEN YOU HAVE MORE TO OFFER!*



"Insurance with a Heart" The **MACCABEES**  
LEGAL RESERVE INSURANCE



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**IN TUNE WITH THE TIMES**

To thousands of members, Modern Woodmen of America stands as a symbol of integrity and service. Throughout its seventy-year history, Modern Woodmen has provided, in addition to modern life insurance protection, many "extra" benefits at no additional cost. All of these benefits have been "in tune with the times." Especially outstanding, in view of the rising polio incidence, is the Polio-Protection Plus. This gives Modern Woodmen Beneficial members immediate payment of \$250 if polio strikes; an additional payment of \$250 if the attack results in crippling after-effects or death. Modern Woodmen is pledged to keeping its services "in tune with tomorrow," abreast of its members' varied insurance needs.

**HOME OFFICE**  
**ROCK ISLAND, ILLINOIS**

**MODERN  
WOODMEN  
OF AMERICA**

**THE  
POLIO  
PROTECTION  
PLUS!**

## 9: FACTS TO REMEMBER ABOUT MODERN WOODMEN

- 1 Modern Woodmen has a seventy-year record of faithful service to insureds and beneficiaries.
- 2 More than \$768,000,000 has been paid in benefits.
- 3 Our record of prompt payment is unsurpassed.
- 4 Assets exceed \$170,000,000 in a strong investment portfolio.
- 5 Twenty-five Modern Woodmen certificate forms are issued . . . we insure every member of the family from birth to age 60.
- 6 Those insured in Modern Woodmen automatically receive THE POLIO-PROTECTION at no extra cost.

(ATTRACTIVE CONTRACTS AND CHOICE TERRITORY FOR AGENTS)

December 12, 1952

## LIFE INSURANCE EDITION

27

## SIMPLER A. & H. FORMS SHOULD EASE MANY DIFFICULTIES

By Dr. Joseph Altman,  
Collaboration by  
Carl D. Jones

Over the years I have reviewed claims for various companies and had the opportunity to evaluate many thousands of claims and claim forms. There have been numerous complaints from insured, doctors and hospitals concerning the length and complexity of these forms. The hospitals and the doctors were doing most of the complaining. Considering these complaints carefully I felt that in many instances there was some justification.

In numerous instances doctors and hospitals refused to fill out complex forms and contended that they were too long and contained many questions irrelevant to the claim. Doctors and hospitals furnished their own statements which gave insufficient information.

After a complete study I felt that the companies are primarily interested

in certain aspects of insured's condition, e.g. the most important, past medical and surgical illnesses, that might have affected the underwriting, or caused the condition for which a current claim is made, or a factor in prolonging the disability of the current claim, or there may have been an aggravation of an old condition.

The hospitals contended that because of the length and complex nature of the forms they have been requested to complete they lose money and cannot afford to allot the time for trained record clerks to fill out the forms, even though fees are allowed. I realize, as does the business, that simpler, less complex and standardized forms are essential to satisfy all concerned and yet give complete information and hasten the processing of claims. Accordingly various forms and methods were tried. I have concluded that smaller forms, simpler procedure and fewer questions could produce better results, with the company receiving sufficient pertinent information to process A. & H. claims from their inception to completion and disposal.

## WANT ADS

Rates \$13 per inch per insertion—1 inch minimum. Limit—40 words per inch. Deadline Tuesday morning in Chicago office—175 W. Jackson Blvd. Individuals placing ads are requested to make payment in advance.

THE NATIONAL UNDERWRITER  
Life Insurance Edition

Progressive Insurance Company writing all modern up to date forms of Life, Annuity, Health, Accident and Standard Insurance. Interested negotiating for manager of any State, Territory or Nation that we are not operating in at present. Will give financial assistance for developing territory. Write or wire A. M. Miller, President.

North America Insurance Company  
1800 Block Southmore Boulevard  
Cable Address: NAMCO  
Houston 4, Texas

**HOME OFFICE AGENCY MAN**  
Fine opportunity for right man who has demonstrated ability to recruit and train able men for an aggressive agency force. This is a permanent position for one who is interested in developing and growing with a young middle west company writing both life and health and accident and which has already \$25,000,000 in force. Company will offer full cooperation to man finally selected who must have broad appreciation of both Home Office and Agency point of view. Communicate with Box P-27, The National Underwriter Company, 175 W. Jackson Blvd., Chicago 4, Illinois, stating qualifications and salary expected.

**ACTUARY WANTED**  
Established legal reserve life and accident & health company, moderate size, located adjacent to New York City, seeking man having practical company experience with some emphasis on accident and health. Not necessarily a Fellow of the Society. Good future. Write stating qualifications, etc. Replies held in confidence. Address P-33, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

**AVAILABLE**  
Agency Supervisor — A&H — married — age 32—6 years field experience. Presently employed — Will relocate. Address P-30, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Ill.

inary statement forms included." When any of these are received as notice of claim, they would provide sufficient information to inform a company what kind of claim they are dealing with and in many cases the notice and information on these forms would be sufficient to pay the claim. These forms are simple, will allow better service, quick payment on small claims and sufficient early information on more serious claims.

Dr. Altman, medical director of Companion Life, is the author of "Underwriter's Medical Guide for A. & S. Insurance," published by the National Underwriter Co. Mr. Jones for many years has been in charge of claims for Commercial Travelers of Utica, in New York City. He has been with that company for 40 years.

The attending physician and hospital resume forms respectively (AJ102 and 103) are so simple that they can be quickly filled out completely, thus eliminating doctors' and hospital objections as to the time required to fill out the forms and they simplify the work for all concerned. The physicians and hospital forms are formulated by a doctor with years of experience in private and hospital practice, insurance claims, underwriting and executive experience who knows what the doctor, hospital and insurance companies want. These forms obtain more pertinent information than many long forms.

On these two forms I have enumerated conditions of vital organs which often complicates a claim and its disability and which are important to the underwriting status of a case. By enumerating these conditions, all that is necessary for the physician or record librarian to do is to enter a check mark in the space allotted and, where they have them, give the code number in the space provided instead of writing in the information.

The code numbers are from the Standard Nomenclature for Diseases and Operations, which is used for morbidity records and give a world of information in a few numbers when these numbers are properly interpreted. Instead of writing a full diagnosis the code numbers provide the answer. These numbers have also been used and can be obtained from Altman's Underwriter's Medical Guide for Accident and Sickness Insurance, published by the National Underwriter Co., Cincinnati, Ohio. For mortality records, city, state and federal, authorities usually use the international code. Thus the coding simplifies the work for all concerned, especially for those dealing with statistical records.

The doctors certainly should not object to filling out a small form  $3\frac{1}{2}'' \times 9\frac{1}{4}''$  with just a few questions which require a few minutes time and that is all that is necessary. The form is already self-addressed and an open window envelope is supplied. The hospital resume from AJ103 can be mailed to the hospital with an authorization and fee and by its simplicity, it speeds completion and return. If code numbers are used on this form the whole diagnosis, both past and present can be conveyed in a few numbers.

Many forms for physicians and hospitals in the past have required or requested a report on the physical examination. I feel that if this is required the company should get it through its own examiner. From many years of experience I believe that sufficient information is obtained on Forms AJ102 and 103 to give the claim and medical departments sufficient pertinent information, past and present, to evaluate the past history or current claim and provide an evaluation of the future risk of insured.

If on its return, the hospital resume form indicates that further information is necessary, you are probably dealing

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Read free booklet, "Courtesy Pays Off" . . . FOX RIVER PAPER'S latest contribution to better business letters. Authorized by Dr. Robert R. Aurner, University of Wisconsin professor of business administration for 18 years, now director of FOX RIVER Better Letters Division.

Your effort to write productive mail—to select exactly the right word—is one of the reasons every letter costs more than \$1. Protect this investment with letterheads and matching envelopes of cotton-fiber paper by FOX RIVER. Ask your printer for quotation today.

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For full details write us stating number of years renewals are vested and date of contract.

John H. Weber, President  
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12, 1952

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## "She says a fortune will be waiting for you...

"the voice is faint—but the message is clear. Your mother's sister hid a fortune in Hong Kong!" That would be Aunt Bessie. She's still on the farm in Bell County trying to build up *her* fortune with the egg money from a few fusty hens. Aunt Bessie wouldn't know Hong Kong from Hoboken! Some predicting.

Plain fact, as every life insurance agent knows is that you can't predict the future. The Union Central agent also knows that you can prepare for the future on the basis of what happens to most people and still take care of the exceptions.

Certainly the best preparation is life insur-

ance—Union Central life insurance with its policies and combinations of policies to meet every life insurance need from birth to age 70.

And the Union Central agent is also an up-to-the-minute insurance man. The best policy of twenty years ago isn't necessarily the best policy today. Times change. The needs of people change. An alert, cooperative Home Office keeps all Union Central agents fully informed, helps them with the proper sales tools to make Union Central life insurance serve people best in terms of today's needs—projected reasonably and logically into the future.

THE UNION CENTRAL



LIFE INSURANCE COMPANY

CINCINNATI, OHIO

**"It's like having  
the Liberty Bell  
in our living room."**



*You can't have the Liberty Bell in your living room  
—but you can bring into your home the freedom,  
security and independence for which it stands.*

Perhaps you don't realize that personal freedom from worry . . . security without dependence on family or government . . . financial independence of your own making . . . all may be yours through life insurance.

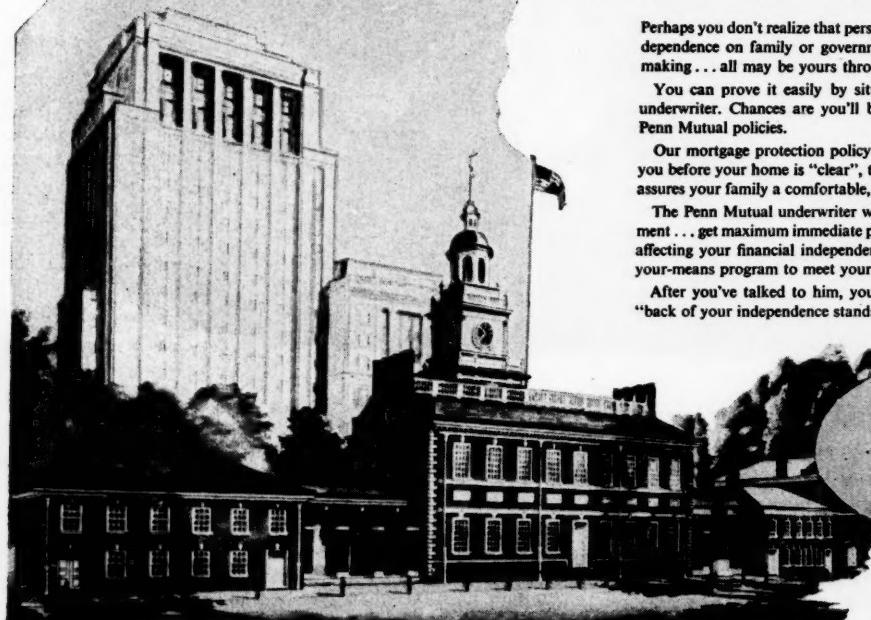
You can prove it easily by sitting down and talking with a Penn Mutual underwriter. Chances are you'll be surprised at the variety and flexibility of Penn Mutual policies.

Our mortgage protection policy is one example. Should anything happen to you before your home is "clear", this low-cost policy pays off the mortgage . . . assures your family a comfortable, friendly place to live.

The Penn Mutual underwriter will show you how to provide for your retirement . . . get maximum immediate protection at low cost . . . meet other problems affecting your financial independence. And he'll work out a practical, within-your-means program to meet your specific needs.

After you've talked to him, you'll understand what we mean when we say "back of your independence stands The Penn Mutual."

Back of  
Your Independence  
Stands The  
**PENN MUTUAL**



**THE PENN MUTUAL LIFE INSURANCE COMPANY • INDEPENDENCE SQUARE, PHILADELPHIA**

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